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ABSTRACT

This publication is a comprehensive record of testimony and exhibits presented to a subcommittee of the Committee on Appropriations of the U.S. Senate during hearings on 1976 budget requests for the Education Division of the Department of Health, Education, and Welfare. Included are testimony and statements presented by approximately 100 different representatives of the Education Division, the Office of Education, and their various agencies. Testimony and exhibits are indexed chronologically, by subject matter, and alphabetically by witnesses' names. (JG)

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EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

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HEARINGS

BEFORE A

SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE

NINETY-FOURTH CONGRESS

FIRST SESSION

ON

H.R. 5901

AN ACT MAKING APPROPRIATIONS FOR THE EDUCATION DIVISION AND RELATED AGENCIES, FOR THE FISCAL YEAR ENDING JUNE 30, 1976, AND FOR OTHER PURPOSES

Printed for the use of the Committee on Appropriations

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EDUCATION & WELFARE
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EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

WEDNESDAY, MARCH 12, 1975

U.S. Senate,
Subcommittee on Departments of Labor and Health, Education, and Welfare and Related Agencies,
Washington, D.C.

The subcommittee met at 2 p.m. in room S-128, the Capitol, Hon. Warren G. Magnuson (chairman) presiding.

Present: Senators Magnuson and Schweiker.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Education Division

STATEMENT OF DR. VIRGINIA Y. TROTTER, ASSISTANT SECRETARY FOR EDUCATION

ACCOMPANIED BY:

- **DR. T. H. BELL, COMMISSIONER OF EDUCATION**
- **EMERSON ELLIOTT, ACTING DIRECTOR, NATIONAL INSTITUTE OF EDUCATION**
- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER**
- **DR. EDWARD MARTIN, ACTING DEPUTY COMMISSIONER FOR EDUCATION OF THE HANDICAPPED**

BUDGET REQUEST

Senator Magnuson. The subcommittee will come to order.

Today we will begin hearings on the HEW budget for fiscal year 1976. The subcommittee has always encouraged early enactment of education appropriations. Many of the school administrators need to know exactly what they will be getting in order to plan accordingly.

Over the next 2 weeks we will delve into some of the specifics of the education budget, which totals $6 billion, or $600 million less than the 1975 appropriation.

Today Virginia Trotter, the Assistant Secretary, will give us a general overview of the Department's budget request.

We will be glad to hear from you. Would you introduce your colleagues and then proceed with your statement.

Dr. Trotter. Thank you.

I would like to introduce Dr. Bell, Commissioner of Education, and Mr. Emerson Elliott, Acting Director of the National Institute of Education.

Senator **Magnuson**. All of their names will be inserted in the record.

Dr. **Trotter**. And Mr. Miller.

Senator **Magnuson**. Including Charlie Miller.

Dr. **Trotter**. Mr. Chairman, I am pleased to have the opportunity to speak to you in support of the administration's proposed education budget for fiscal year 1976. This budget recommends a spending authority of a little more than $6.1 billion for the Education Division of the Department.

Some people may question the relative return of our educational investment; but I believe, and I know you believe, that education is one of the best investments we can make. In fact, education has a significant role to play in helping the economy by producing and retraining skilled workers and professionals.

I also believe it is essential to take a critical look at how we may better use our human and fiscal resources. Quality education is something every American child and adult deserves and has a right to expect. I know we are all committed to this goal, and hope that we can work together with the present fiscal constraints to determine the priorities in education and appropriate spending levels.

This budget emphasizes programs which will increase equality of educational opportunity from the elementary through the postsecondary years, and which will contribute significantly to improvement in the quality of education.

One of the most important education activities undertaken by the Federal Government is its commitment to assist children and young adults who are disadvantaged in our educational system. These are the children who are economically disadvantaged, who are physically or mentally handicapped, who come from non-English-speaking homes, or who for some other reason are unable to benefit as fully from the educational process as their classmates. I believe the resulting inequities have not been fully addressed at the State or local level and have, therefore, become a Federal concern.

With the budget now before you, the education division will be able to continue in fiscal year 1976 a broad effort to redress inequalities of educational opportunity. Increases are provided in the funding of grants for the disadvantaged and support and innovation grants under the Elementary and Secondary Education Act. The budget also provides what we believe will be adequate funding for the expanded Federal role of "capacity building" in bilingual education, and takes into consideration the Supreme Court decision in the *Lau* v. *Nichols* case. The Right to Read program is proposed for continuance at the same level of funding appropriated for the current fiscal year. The Federal impetus provided by the Right to Read program is an essential part of the larger national effort to eliminate illiteracy in the United States. Our budget proposal reinforces the Federal Government's commitment to reducing educational disadvantagement. Consistent with this obligation, each of the innovation and development programs of the Education for the Handicapped Act would receive significant funding increases in fiscal year 1976. The budget also provides substantial increases in funding for deaf-blind centers and projects for the severely handicapped .The Follow Through program has experienced great success in its demonstration of effective ways of educating disadvantaged children in the early elementary grades. Follow Through would be continued in 1976 only for those children already participating in the program.

POSTSECONDARY EDUCATION

The Federal commitment to equalize educational opportunity is important in postsecondary education as well as in the elementary and secondary years. This priority is reflected in the increased budget request for basic educational opportunity grants to provide direct aid to those postsecondary students who are economically disadvantaged. The funding level recommended for the basic grants program would, for the first time, cover 4 full years for both full- and part-time students.

With tightened administrative machinery for the repayment of guaranteed student loans, this program can continue to play an important role as a source of funding for students who require additional financial assistance. The budget also makes provision for continuance of the college work-study program, although at a somewhat lower level than the current year's appropriation.

The 1976 budget places a clear emphasis upon direct aid to students, allocated according to need with some degree of freedom of institutional choice. In addition, the State student incentive grant program can effectively supplement basic grants in easing family contribution burdens imposed by rising educational costs. Some postsecondary schools have developed special expertise in serving a segment of society which otherwise might be denied access to higher education. Provision is made in this budget to assist these developing institutions.

In order to improve the quality of education, it is necessary to have information on the current status of the educational system and reliable information on how to improve areas where education falls short. The National Center for Education Statistics provides an important governmental resource for the assessment of educational quality. In fiscal year 1976 the Center will pursue inquiries closely related to the needs of education policymakers both in the Federal Government and in the total educational community. Within the Education Division a high priority will be placed on the timely availability of data and statistical analyses. The program evaluation activities of the Office of Education also provide a vital barometer of where we are and where we can and should be moving with respect to Federal involvement in education.

A very large part of the Division's work toward advancing the quality of education resides with the National Institute of Education, which in 1976 will emphasize the dissemination of the products of research and development, and will seek solutions to some of our major educational problems. The Institute's programs are directed at the Nation's most pressing educational problems—school finance, educational equity, providing basic skills, and the dissemination of practical research information for immediate use by school personnel. The National Institute of Education provides the kind of baseline data we need to adequately predict the future and the kind of research and demonstration patterns that give viable alternatives for educational change. We must have this kind of educational research and development if we are to have the most effective education system possible.

Another important portion of the Department's work toward the improvement of educational quality is carried on by the Fund for the Improvement of Postsecondary Education. The Fund has made an impressive beginning in its efforts to improve the quality and diversity of educational practice beyond the high school level. The increased recommended funding for this program in fiscal year 1976 will enable the Fund to expand its very successful efforts. Its activities are aimed at developing a postsecondary educational network that is capable of responding to a wide range of educational goals. Particular attention will be devoted to the improved integration of work and education. By bringing the young and the old together with educators and with business and labor, they can learn about each other's needs and desires, so that the world of work and education will be linked.

The educational program that I have outlined address both the equality and opportunity of excellence in education. I hope you will agree with me that we have a forward-looking and challenging program for the 1976 fiscal year.

I will be happy to answer any questions you might have.

Senator MAGNUSON. Thank you.

FISCAL YEAR 1970 PROGRAM OF THE NATIONAL INSTITUTE OF EDUCATION

We agree that we should have quality in education. That is a statement that everybody agrees with. The real issue, of course, is one of priorities. Let us start with one item. Have you come up with a new program for the NIE account?

Dr. TROTTER. Yes, we have their new program.

Senator MAGNUSON. Where is it?

Dr. TROTTER. It was sent forward with the President's budget.

Mr. ELLIOTT. We do have a budget proposal that has gone to the committee's staff, which describes our program.

Senator MAGNUSON. We are talking about the budget proposal. This committee recommended zero last year for NIE because it failed to justify the programs. What do you plan to do this year?

Dr. TROTTER. A number of important areas are being addressed—school, finance, basic skills, dissemination, educational equity, and education and work.

Senator MAGNUSON. I am talking about NIE.

Dr. TROTTER. That is what I am talking about. These are NIE's planned areas of focus in fiscal year 1976.

Their work on dissemination of information——

Senator MAGNUSON. Had you seen the list of projects planned for last year?

Dr. TROTTER. Yes, I am very familiar with the objections voiced last year over NIE's program. This year the Institute is moving in a new direction and has reordered its priorities.

Senator MAGNUSON. I do not mean priorities. I am talking about the type of programs they had—the grants they made.

Dr. TROTTER. We would be very happy to provide a list of the grants being made by the Institute.

Senator **Magnuson**. We have the list of last year, and the committee decided that we had better recommend zero until they turn around.

Mr. **Elliott**. We will be glad to provide that list. The budget justification talks about a series of ——

Senator **Magnuson**. Now how can you provide the list? Now this happened way back in October. We had a big argument in the House, and the committee ended up giving them $70 million. We all hoped NIE would change its direction.

Dr. **Trotter**. This is exactly what we are doing.

APPOINTMENT OF THE DIRECTOR OF THE NATIONAL INSTITUTE OF EDUCATION

Senator **Magnuson**. Well, we have not seen any new direction, and you do not even have now—6 months later—you have not even appointed a new director.

Dr. **Trotter**. We have been working hard on it.

Senator **Magnuson**. How long are you going to work on it?

Dr. **Trotter**. I hope that before long the new director will be named.

Senator **Magnuson**. How can I recommend an appropriation for NIE after the trouble they were in last year, when they have not even appointed a new director.

Dr. **Trotter**. There is ground for hope that, before we have the honor of coming before you again, we will have——

Senator **Magnuson**. What is wrong? Why can they not appoint a new director?

Dr. **Trotter**. We are in the midst of the security clearance; we have come that far. The necessary security clearance is underway.

Mr. **Miller**. The selection has been made. The security clearance process is not finished.

Senator **Magnuson**. When was it made?

Dr. **Trotter**. The name was sent forward for clearance several weeks ago.

Senator **Magnuson**. But when was it made?

Dr. **Trotter**. The selection was made about 2 or 3 weeks ago.

Senator **Magnuson**. So you waited 5 months to recommend a director. Security clearance on the type of people you consider should not take 2 days—more like 1 hour.

Dr. **Trotter**. I wish it would not take——

Mr. **Miller**. Mr. Chairman, you know, NIE is no exception. This is true throughout all of the major personnel appointments.

Senator **Magnuson**. I understand that, but how can we act on a program when you do not even have a new director?

Mr. **Miller**. Well, I do think that either Dr. Trotter or Mr. Elliott can describe the program of NIE to you.

Senator **Magnuson**. It may not be your fault, but we are not going to act on any appropriation for NIE until you have a new director, until that person comes up here with a new program and lays it out to the Congress.

Dr. **Trotter**. As you know, Mr. Elliott has been acting as Director, and has been doing a fine job.

Senator MAGNUSON. That's just fine. You waited 5 or 6 months on appointing the head of the Council. You finally appointed a Chairman, didn't you?

Dr. TROTTER. Yes, we were very pleased when we were able to announce the Council Chairman.

Senator MAGNUSON. Well, why did you wait 5 months after all the trouble NIE has encountered?

Dr. TROTTER. Sometimes I need a little help myself in understanding why certain processes take so long. But I am delighted that we have appointed the new Council Chairman, and I hope that before too long we will have the new Director on board, too.

Senator MAGNUSON. Well you had better——

Dr. TROTTER. In the meantime, the Institute and the entire Education Division have had excellent support with Mr. Elliott.

Senator MAGNUSON. Well, I would suggest you had better have a new director before you come up here for any appropriations. And you had better have a program that is different than the one you had last year.

Dr. TROTTER. The program is already different; there is not any doubt about that.

Senator MAGNUSON. That is not the point. You knew about this months ago, when NIE was in all this trouble.

Dr. TROTTER. The only thing I can say——

Senator MAGNUSON. You could have ended up with abolishment of the whole thing.

Dr. TROTTER. That would have been a great tragedy.

Senator MAGNUSON. Oh, I know what you think it would be. Congress did not think that. Have you not read last year's list of the programs funded? If I read these on the Senate floor, they would laugh me off the floor.

FOCUS OF THE NIE PROGRAM IN FISCAL YEAR 1976

Dr. TROTTER. I think that one of the things you will be very pleased with is the program that we are putting forward. It is one that will put in place some of the programs that we feel need to be done. I happen to feel strongly about basic skills. We certainly have not done the kind of job that we should have done on teaching the basic skills. NIE has a strong program in this area, and I think that they are close to finding some answers that will greatly improve the way we teach. If you take a look at the results we have had in teaching basic skills, you know that they are not what they should be. It does take basic research to turn this around. I have great faith that this will be one of NIE's important contributions.

Senator MAGNUSON. You have to turn their ideas around, not the people that teach, but these ideas. That is what the Congress wants you to turn around.

Mr. ELLIOTT. Mr. Chairman, may I make a comment or two?

Senator MAGNUSON. I have listened to this before. I just do not understand how you can come up here and ask us for money for NIE after all of the trouble of last year.

Dr. TROTTER. Of course, this is just a small part of the overall budget.

Senator MAGNUSON. And you do not even have a Director. We are trying to turn around teaching. We are trying to turn around their ideas of teaching.

Dr. TROTTER. New teaching concepts in the basic skills is one of the areas that we are going to emphasize.

Senator MAGNUSON. I wish they had in here an investment in woodsheds. I think that would take care of a lot of it. I do not know what is wrong with the Department. This would be the first priority after last year's problems.

Dr. TROTTER. I want you to know it is one of my own first priorities. I agree with you it is critical that the Director be appointed.

Senator MAGNUSON. Well, what happened? Why could you not get one appointed?

Dr. TROTTER. I have not been with the Federal Government very long, but one thing I have found since I have been here is that it can be rather frustrating at times to try to get something done in a hurry.

Senator MAGNUSON. Then you are starting to be taught the lesson they want you to learn.

Dr. TROTTER. I certainly hope that is one lesson I never learn.

Senator MAGNUSON. Well, we will just have to find out because they have to come up with something better than this.

Mr. ELLIOTT. The program that is before the committee is very different from last year's. The budget is $80 million.

Senator MAGNUSON. That is not what it was last year.

Mr. ELLIOTT. Last year the proposal was $130 million.

Senator MAGNUSON. Well, we appropriated $70 million.

Mr. ELLIOTT. The appropriation was $70 million. It is a small increase over last year. I would like to bring to your attention some of the things that were listed in the Senate committee report that we should be working on, such as issues of education finance and issues having to do with the dissemination of R. & D. so that schools can make use of materials and also issues of declining enrollment. Activities in all those areas are included in our program for fiscal 1976.

EDUCATIONAL FINANCE

Senator MAGNUSON. I am not sure why the Federal Government should spend money on issues of education finance. That is up to the local communities. I know it is a big problem.

Dr. TROTTER. It is a national problem, and by being able to put into place some basic understanding——

Senator MAGNUSON. What are you going to tell the local school districts that they do not know?

Dr. TROTTER. I think we need to help them better use the money they have to improve——

Senator MAGNUSON. That is what the school board is trying to do.

Dr. TROTTER. I know they are.

Senator MAGNUSON. They do not need any advice from Washington. They are having bond issues turned down over and over and over again. Do you think they are just dopes that sit around and look for advice from the Federal Government?

Dr. TROTTER. You know what has happened with school finances. It has become very, very intricate; it is getting very complicated.

Senator **Magnuson**. You do not listen to me. These are the kinds of things that are stupid investments. I mean, if these people did not know anything [illegible] school finance, they have forgotten more about school finance than any panel you would appoint. They are struggling with it day by day.

Dr. **Trotter**. It has not been very long since I personally struggled with it, so I know the problem very well.

Senator **Magnuson**. Maybe you might tell them how to get more votes out for a bond issue. Then you would be accused of playing politics on a bond issue, I suppose. Some of these school board directors have forgotten more about finance than any panel you could appoint. There is no secret on how to finance. Just get more money out of taxes. Is it not?

Dr. **Trotter**. It is not always a question of getting more money. More money is not always the answer.

Senator **Magnuson**. Well, they know how to run their school district.

Dr. **Trotter**. I would agree with you that many of them do a very good job.

Senator **Magnuson**. They run it so tight that you would not believe it.

Dr. **Trotter**. Yet, school finances have become much more complicated in terms of the technical assistance that is necessary, and the school boards have asked for help.

Senator **Magnuson**. This is the result of the Federal Government getting into a lot of things, perhaps spreading itself too thinly.

Dr. **Trotter**. It is advice in the planning stages.

Senator **Magnuson**. I could take these things all down the line. This is what you get in trouble with.

Mr. **Elliott**. Many of the finance issues——

Senator **Magnuson**. Let me tell you something. They would much rather have you give them some money than give them advice.

Mr. **Elliott**. I think maybe they could use both. I think many of the States——

Senator **Magnuson**. But they do not need that advice.

Mr. **Elliott**. Many of the States want to know what other States have done, so they can make the best choice in answering their own questions.

Senator **Magnuson**. In other words, the Federal Government is contributing about 6 percent of this Nation's educational costs.

The local districts are taking care of the remaining 94 percent.

So, you are going to tell them how to handle their problems with what they have to do with the remainder?

THE FEDERAL ROLE IN EDUCATIONAL FINANCE

Dr. **Trotter**. We would hope that every school district would not have to do the necessary studies; that by doing some model studies we would be saving all the school districts much more than if they each had to do it themselves. You know, both the school districts and the States have asked for help.

Senator **Magnuson**. I know what they want. They want some more money.

Dr. Trotter. Often it is just as important to know how to use the money.

Senator Magnuson. This is an example of what I am saying. I think there are other priorities that we can get into other than things like that. If we were furnishing 50 percent of the money or 40 percent, then I would understand why we would stick our nose into it and try to tell them what to do. But we are not. Part of this 6 percent is mandatory costs that you have nothing to say about. The staff tells me 6 percent is down from last year.

Dr. Trotter. It is down from last year.

Senator Magnuson. Is it at 6 percent?

Mr. Dirks. Yes. Six percent.

Mr. Elliott. We may, perhaps, have misunderstood the Senate committee report, but the finance studies are one of the things that were mentioned in last year's report. Many of the finance issues are really not local school board issues. They are State legislature issues. The courts are telling the States that they have to change the way they have financed education in the past. They can learn things from other States. It is not that we propose to tell them what to do. What we want to do is help them work through their own problems.

Senator Magnuson. Well, I would like to intercept the mail coming into my State from the Department of Education on any given day where you are telling them what to do. If we did that, it would fill half of this room. There is going to be a revolt on this. You are just getting into too many things.

Now, if we had all the money in the world, why then I would say fine. NIE, I think that is the bottom of the totem pole in my point of what we should be doing. We have some Members of the Senate that plead for NIE because a contract has been let out in their areas, and they are paying some of the people to get the contract.

All right. We will get at these details when we get the people up here.

[Pause.]

BASIC OPPORTUNITY GRANT PROGRAM

Senator Magnuson. How much more is requested for BOG in the budget?

Dr. Trotter. Funding to carry the additional year has been added to the budget.

Mr. Miller. It is about $1 billion in 1976, Mr. Chairman. It is $660 million in 1975.

Senator Magnuson. Well, how does that add up for the grants, then?

Dr. Bell. Our recommendation for the basic opportunity grants is just over $1 billion, which is substantial.

Senator Magnuson. Now, how does that work out in terms of average grants?

Dr. Bell. Yes.

Senator Magnuson. If you are going to stretch it to 4 classes of students?

Dr. Bell. We would be able to full fund the grants this time, which is $1,400. So, with that appropriation, we could fulfill it.

Senator Magnuson. I am talking about the average grant figure.

Dr. Bell. Well, they vary, Mr. Chairman, depending on the need, each individual's need, and their financial circumstances.

Senator **Magnuson**. But what would they average?

Dr. **Bell**. They vary. The average I would estimate for next year would be about $800.

Senator **Magnuson**. So we are going up?

Dr. **Bell**. The maximum would be——

Senator **Magnuson**. Last year it was $640. Now, do you think you are ready to take the whole 4-year route?

Dr. **Bell**. Yes.

Senator **Magnuson**. Well that is good.

Dr. **Trotter**. We are pleased to be able to expand the program this year.

Senator **Magnuson**. You will be ready to move into that.

NATIONAL DIRECT STUDENT LOAN PROGRAM

Now, you are again proposing to wipe out the Direct Student Loan Program.

Dr. **Trotter**. Well, actually, we would like to see the money used as a revolving fund.

Senator **Magnuson**. Is it the administration's intention to stop student loan programs?

Dr. **Trotter**. No indeed; not all student loan programs.

Senator **Magnuson**. It is your intention to do it, is it not?

Dr. **Trotter**. We have limited the funding for campus based program; but not the programs of direct student aid and not the State——

Senator **Magnuson**. It is your intention to get rid of that?

Dr. **Trotter**. All campuses have a certain amount of funding. What we want them to do is to use the direct student loan program as a revolving fund—use the interest on it and repayments of principle to continue to make loans.

Senator **Magnuson**. But you are not going to put any more funds into the direct loan program?

Dr. **Trotter**. No. We do not plan to put any more money into it. We feel the program as it stands today is sufficiently capitalized.

GUARANTEED STUDENT LOAN PROGRAM

Senator **Magnuson**. Now, the regular student loan programs, how much have we got in there?

Dr. **Trotter**. Which one?

Mr. **Miller**. Direct student loans. Zero. Insured student loans—$452 million.

Senator **Magnuson**. These are insured loans that the banks become involved in?

Dr. **Trotter**. That is right.

Senator **Magnuson**. It is your impression that banks are shying away from these loans now?

Dr. **Trotter**. Well, we are hoping that they will not. They have continued to increase the amount of loans that they have been making.

Senator **Magnuson**. Well, you can hope all you want. They are shying away from the loans; is that not correct?

Dr. **Bell**. We believe, Mr. Chairman, as the interest levels fall, interest rates have been declining, so that maybe the quaranteed student loan will be more attractive to banks because they would be more competitive.

Senator **Magnuson**. But are they actually falling off?

Dr. **Bell**. Yes.

Senator **Magnuson**. That may happen.

Dr. **Bell**. A bank can get up to 10 percent now on their guaranteed student loans with a 3 percent——

Senator **Magnuson**. I understand, but your predictions may be wrong.

Dr. **Bell**. I admit that that could happen.

Senator **Magnuson**. Charley Miller, he can predict because he knows figures, but as matter of fact, this is the worst kind of loan for students. The banks call it slow paper, and they do not want much, but if interest rates keep going down.

Dr. **Trotter**. Our expectation is that with falling interest rates these loans will become much more attractive to financial institutions than they are right now.

Senator **Magnuson**. We will have to find out how the collections are coming.

Dr. **Bell**. Since, Mr. Chairman, we were not very competitive, of course, when the prime rate was almost 13 percent, but now it is down below the 10-percent level considerably, so it may be more attractive, we do not know.

Senator **Magnuson**. The authorizing committee in the Senate heard from 20 banks last week, and they are definitely pulling out. I do not know how big or small the banks may be.

BASIC GRANT PROGRAM SURPLUS

Now, what is the surplus in the BOG grant program?

Dr. **Bell**. It is $135 million.

Senator **Magnuson**. Why have we not put that out?

Dr. **Bell**. The number of students that applied for basic opportunity grants were not as high as was estimated. The number that qualified, and the income level, the very low-income level, students whom we thought would get large grants—there were not as many in low-income levels as we estimated—did not apply.

Senator **Magnuson**. You do not have as many applications, is that right?

Dr. **Bell**. Not only that, but the grants that we made were not as large in dollar amounts as we thought they would be because not as many of the extremely low-income students who would get the big grants applied.

Senator **Magnuson**. What you would not want is if there are people who are eligible, but who are not informed of what is available to them.

Dr. **Trotter**. We are working very hard to counsel students so they will know that this is available. This is one of the things——

Senator **Magnuson**. Last year you had $50 million surplus.

Mr. **Miller**. Mr. Chairman, we have a letter before you now and also before the House asking the Appropriations Committee to take action on that surplus to permit us to apply it to the next school year, and since we are running out of time, we would be hopeful that you might consider it in this urgent supplemental that is coming over to you from the House.

Senator MAGNUSON. Harley tells me that we will be looking at that in the urgent supplemental.

Mr. MILLER. Now, it is our fault. We were much too slow. but it would be very helpful if you would do that.

Senator MAGNUSON. Are there any current figures on school enrollment? What is happening as a result of the current economic situation?

Dr. TROTTER. We could do this, but I could say generally that postsecondary enrollments are going up while elementary and secondary enrollments are going down. At least some of the increase in postsecondary enrollments is probably due to the economic situation. We expect that, because of the tight job market more students are staying in school or continuing in school.

COLLEGE WORK-STUDY PROGRAM

Senator MAGNUSON. Now, the House put in the urgent employment bill, $120 million for college work-study jobs. Do you agree with that?

Dr. TROTTER. I think the work-study program is a very good program, and I am sure that any money——

Senator MAGNUSON. But this is separate from this education budget, is it not?

Dr. TROTTER. Yes, it is separate from the Division's fiscal year 1976 budget.

[Pause.]

Senator MAGNUSON. It is in the supplemental that we will have up tomorrow.

Mr. MILLER. Mr. Chairman, I believe the administration will oppose the inclusion of the $120 million. We will be opposing that.

Dr. BELL. Mr. Chairman, our budget that is before you decreases college work-study by $50 million. It is where we got some of the money to increase BOG, and I am sure opposition would——

Senator MAGNUSON. We will have to take that up tomorrow, of course.

Dr. TROTTER. I was not aware it was coming up so soon.

Senator MAGNUSON. The Senator from Pennsylvania is here. Do you have any questions Senator Schweiker?

In this budget, you propose less than last year for work-study programs, is that correct? And this urgent item would add $120 million to what Congress provided in 1974 and 1975 last year in work-study?

Dr. TROTTER. The decrease was proposed in work-study to enable us to channel additional funds into the BOG's program.

Senator SCHWEIKER. I have some other questions.

Senator MAGNUSON. Go right ahead.

EDUCATIONAL BROADCASTING FACILITIES

Senator SCHWEIKER. I note the $7 million for educational broadcasting for fiscal 1976 which is a reduction of $5 million from the 1975 appropriation. I just wonder why we are cutting back the program to reach people through the ETV services?

Dr. TROTTER. Well, one of the reasons you see a decrease is that we are cutting back on new facilities—not on programing or technical help, but on the actual physical plant. We are reaching about 80 to 85 percent of the population with what we have now. If we were to try to reach 100 percent of the population, the cost would be astronomical.

Senator SCHWEIKER. Well, who are we not reaching, and why is it that much more expensive?

Dr. TROTTER. The populations not yet served live in remote, rural areas where it is very difficult to place equipment.

Senator SCHWEIKER. You say you are not decreasing your programing, or are you? Does that affect programing too, or are you talking about both?

Dr. BELL. Senator, our programing budget is staying level and the recommended budget for construction and purchasing equipment has decreased, at least our recommendations have.

Senator SCHWEIKER. Is this basically bricks and mortar construction?

Dr. BELL. It is television equipment, converting black and white systems to color, adding additional systems, and upgrading the quality of some educational television and radio stations; so it is that kind of program of support.

This was a difficult decision for us, Senator. As we weighed the total dollars under a tight budget allocation, deciding where to put these moneys, at a time when the administration has been greatly concerned about the size of the deficit, but this would not—we reiterate again, it would not decrease the programing support. Our budget recommendation for programing would be the same as the previous year.

EDUCATION OF THE HANDICAPPED

Senator SCHWEIKER. Overall, your request for 1976 provides for an increase of $28 million over the revised level of 1975, which is based on a proposed rescission. I am talking now about the education of handicapped, and of course, your 1976 request is a decrease of $24 million from 1975 appropriation; is it not? Is this because of what happened in view of the rescission?

Dr. TROTTER. That is true for the rescission. There is a $24 million decrease. However, on specific programs for the handicapped, like special programs for the deaf, special programs for the severely handicapped, there are increases in our program.

Senator SCHWEIKER. Well, for, say, large State grant programs, you are asking for $50 million, half of what Congress provided in the past year. How do you justify that when according to your own figures, about 50 percent of the school-age handicapped are receiving a special education, and about a million of the unserved are excluded from any educational program?

Dr. BELL. Senator, the administration views the State grant program as primarily a State and local responsibility, which is the ongoing funding of the educationally handicapped children, and they are spending about $2 billion a year out of the State and local agencies on education of the handicapped, and so we were putting our emphasis in our budget on increasing the number of teachers and improving the capacity of the education systems to serve certain special kinds of handicapped children, making captioned films for the deaf and doing certain types of developmental work in the field of technology where we are learning a great deal through such things as a person using his finger to get certain impulses that actually help the deaf to read. These are some of the new developments, and so we have been putting our money in those areas.

And given the type resources that we have, we felt that we ought not to increase the State grant program.

Senator SCHWEIKER. Does this mean that the captioned ABC news goes off the air?

Dr. BELL. It is captioned films.

Senator SCHWEIKER. I watch it. I am asking, does that mean you are going to take it off the air? I am trying to find out.

Dr. BELL. No; we are not.

Senator SCHWEIKER. Cutting back, I do not know——

Dr. BELL. That sort of thing we would increase and get it into an educational television and other areas where it is now.

Senator SCHWEIKER. But if you knock the State grant program down $50 million, how can you really provide the kind of services that I thought the overall program was designed for? You cannot honestly expect the States to pick up any of that slack in view of the budgets that they are being hit with. There are tremendous inflation pressures. They are in the worst shape they have been in in this decade in terms of budgets, so when we say we expect the State and local authorities to pick it up, is that really realistic?

Dr. BELL. It is a hard choice, but the education of the children, the basic education of the handicapped children is largely, we believe, the responsibility of the State and local agencies. There has been a lot of litigation in the States where the parents of handicapped children have actually sued and have had judgments entered requiring that these children be given service.

Senator SCHWEIKER. Pennsylvania led the way in that respect.

Dr. BELL. That is so, Senator, and in addition to that, there are so many that are not served. If you spent the other $50 million, you would be far from what the demand is. If we were going to address that need, it would take an aggregate of dollars far beyond what we feel is our capacity right now.

DEFINITION OF THE HANDICAPPED POPULATION

Senator MAGNUSON. This is the discussion we had the other day. I still do not have a definition of what is a mentally handicapped person.

Now, all of us know it is not hard to talk about the physically handicapped person, but what is mentally handicapped? We would require hundreds of billions to take care of them, I would think.

Dr. TROTTER. This capacity building, involving retraining and working and helping the States do a better job of what they are doing——

Senator MAGNUSON. Some States have a different criteria, but where do you stop? Just like I said, if the 17-year-old boy has low grades, is he mentally handicapped?

Dr. BELL. Not necessarily.

Senator MAGNUSON. Now, some States are talking about getting it up to 12.

There will never, I think, be sufficient funds in any budget to take care of a very, very loose definition of mentally handicapped.

Dr. **BELL.** The definition of a mentally handicapped child would include only about 2 or 3 percent of the population. They have measures that indicate—you know some children are just born——

Senator **MAGNUSON.** I think that some is no question about, that you immediately put on the list, and those are the ones that need the help the most.

Dr. **TROTTER.** And we need to start early.

Dr. **BELL.** This is the bottom 2 or 3 percent.

Senator **SCHWEIKER.** I would not disagree with anything that is being said here if we were not increasing a program, but as I understand it, we are cutting the grant program back $50 million. I still have not heard in listening carefully any rationale for that.

We are not increasing—we are not trying to reach a lot of people we did not reach. We are cutting back what we were doing $50 million.

EXTENT OF THE FEDERAL ROLE IN EDUCATION OF THE HANDICAPPED

Dr. **BELL.** We have not had total agreement in the House by any means. The best answer for that is the administration does not believe that that is the Federal responsibility, and that we ought not to get into the business of supporting all of these handicapped children because it will take billions and billions to do it; but we ought to spend our money on doing things that will help all of the States in meeting their needs.

There is as great shortage of teachers, for example, notwithstanding the surplus of teachers overall, and so that is the rationale for the decision, given the total dollars that we have to work with that are allocated to us, this was an area where we felt we would be better off to spend the money on the capacity building rather than in the service programs.

Senator **SCHWEIKER.** I am afraid that is exactly the syndrome. Our handicapped are not getting education because nobody thinks it is their responsibility. The Federal Government says it is not their responsibility, the States say, it is their responsibility. That is why people have to go to the courts and sue the State, and the local school systems say it is not their responsibility, I am a little at a loss.

I do not disagree that that is the administration's policy. Unfortunately, you are right, but I have trouble reconciling in my mind whose responsibility it is. It is like a poor relative. Nobody claims any responsibility for him. It seems to me that is one of the tragedies of the handicapped.

Senator **MAGNUSON.** The one point I was going to make on that is, that the budget is $50 million below last year's level is that right?

Dr. **BELL.** Yes.

Senator **MAGNUSON.** Now, these are handicapped people in our last year's budget that surely came in with any purview or with any criteria you choose, so now you are cutting those down. You are not adding; you are not moving on; you are cutting down, because all these people under that program last year were people of that level that anybody would include in mentally handicapped.

Dr. **Bell**. That is true, Mr. Chairman.

Senator **Magnuson**. Is that right? Are you familiar with the GAO report on this?

Dr. **Bell**. Yes, we are.

Senator **Magnuson**. What have you got to say about that?

Dr. **Bell**. I would like to call on Ed Martin of our Bureau of Education of the Handicapped to respond to that question, if you would please, Mr. Martin.

FEDERAL ACTIVITIES TO COORDINATE PROGRAMS FOR THE EDUCATION OF THE HANDICAPPED

Senator **Magnuson**. Well, it deals with lack of well-defined and coordinated planning. That is what they have got down there, and there seems to be little effort among the Federal agencies to coordinate planning to help insure a more comprehensive provision of the services.

Dr. **Bell**. Yes. Mr. Martin, would you respond to that question, please?

Dr. **Martin**. Yes, Senator, we are going to take actions. We are already taking preventive actions to help speak to that problem.

There are a number of things: just briefly I will spell out for you—first, there is a new Office of Handicapped Programs at the Secretary's level, which is charged with the responsibility for developing an overall plan.

Senator **Magnuson**. Well, let us not talk about that now.

Dr. **Martin**. OK.

Senator **Magnuson**. Let us say you have not been doing it. Now what are you going to do about it?

Dr. **Martin**. That is what I am saying.

Senator **Magnuson**. You are changing your focus, are you not?

Dr. **Martin**. Yes, sir.

Senator **Magnuson**. Trying to get a better systematic effort; is that correct?

Dr. **Martin**. Yes, sir.

Senator **Magnuson**. All right.

Dr. **Trotter**. Do a better job than has been done.

Senator **Magnuson**. When are you going to have that one ready?

Dr. **Martin**. We have three things in place already on it, and it is a complex job because there are programs in NIH and——

Senator **Magnuson**. That is what they say. That is why you ought to be doing something about it.

Dr. **Martin**. You have been raising that point, I might say, for several years, and we are attempting to prove it.

BILINGUAL EDUCATION

Senator **Magnuson**. That is what she is talking about, getting the best efforts out of dollars spent. Now, you made in your statement—you talked a little about bilingual education, how important it is, how we do it justice and how we are looking at it and are wedded to it, and yet to cut the budget $15 million less than last year.

Dr. **Trotter**. Here again we are talking about a capacity building program where we are going to help the States train teachers, and set up models, for instance, which will really be a reinforcement of what they are doing and not the service itself.

Senator **Magnuson**. I know, but why do you cut it $15 million?

Dr. **Trotter**. Well, it is like——

Senator **Magnuson**. I mean you recommend that it be cut $15 million.

Dr. **Trotter**. We did not want to ask for more than we considered sufficient for a proper Federal role in bilingual education. Education is still primarily the responsibility of the States and local education agencies.

Senator **Magnuson**. In the statements, they always deal with how dedicated they are to these programs, and these are the ones that seem to be cut.

Dr. **Trotter**. Well, we think that the money we have recommended in the budget will enable us to fulfill the Federal role of capacity building in the States and localities in responding to the need for bilingual education.

Senator **Magnuson**. Well, I do not know. Maybe they should be cut, but why talk about it? The things that you do not cut, you do not say much about at all. For instance, though, you ought to have said something about title I is just the same as last year.

Dr. **Trotter**. That is right.

Dr. **Bell**. There is a slight increase, Mr. Chairman.

Senator **Magnuson**. $1.9 billion. What do you mean an increase? How much of an increase?

Dr. **Bell**. About $24 million.

Senator **Magnuson**. $24 million. Well, all right.

Dr. **Bell**. I said slight, Mr. Chairman.

Dr. **Trotter** Our emphasis on assistance for the disadvantaged stems from our commitment to give these students an opportunity to compete and succeed. It is one of the greatest roles, where the Federal Government is concerned.

It is important that we put our money there.

Senator **Magnuson**. Does this follow the case, the *Lau* v. *Nichols* case?

Dr. **Trotter**. That is the bilingual——

Senator **Magnuson**. Yes, that is bilingual, that is what I am talking about.

These statements get out to the public. The administration says we are for bilingual education and we are going to do everything we can. They never hear about the budget being cut in the same breath. Of course, if Congress adds the $15 million, we are big spenders.

Dr. **Bell**. We have increased bilingual education over the past few years. Now, we are asking for level funding.

Senator **Magnuson**. Now, wait a minute. That is not correct.

Dr. **Bell**. When I say "we," I was referring to the Government.

Senator **Magnuson**. No, you were not referring to the Government. You should have been referring to this subcommittee, and the Senate Commerce Committee has added to this for 5 years that I know about. Please do not say "we"—that's misleading.

Dr. **Bell**. The point I was trying to make is simply that the administration——

Senator **Magnuson**. I do not mean that you came down here and did not want it, but Charlie's crew down there——[General laughter.]

There would not be one-twentieth of the teachers in bilingual education if the Senate Appropriations Committee had not insisted on this year after year. That was the big problem, and you accepted it. And I am sure secretly that you were all for it.

Mr. **MILLER.** Mr. Chairman, can I make one point for the record?

We, meaning the administration, did recommend more money in 1975 over 1974, and we are recommending a level budget for 1976 over 1975.

Senator **MAGNUSON.** Well, you knew, we were going to put it in anyway.

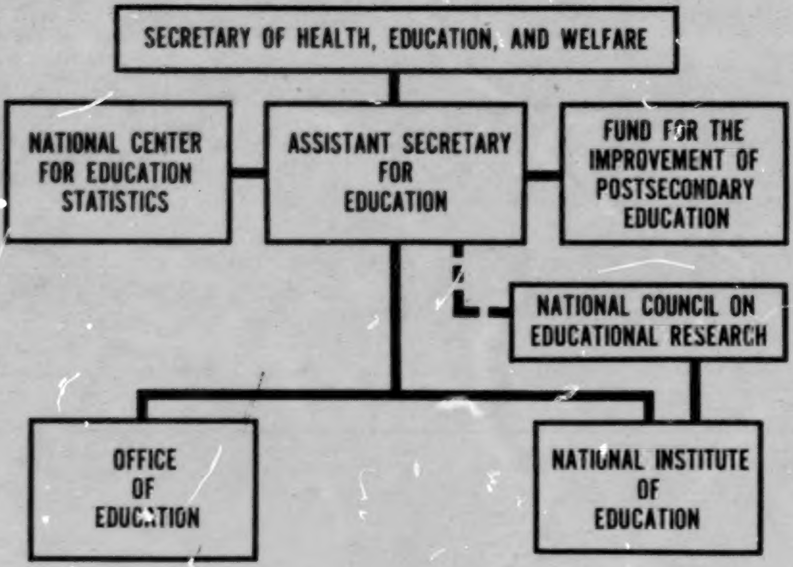
Mr. **MILLER.** I know that is true. There are many programs that you can point out that we have cut. But bilingual education, from our standpoint, we have not requested a cut.

Senator **MAGNUSON.** Would you provide for the record an organizational chart of your agency, office, showing the number of people, their salary levels, and their functions.

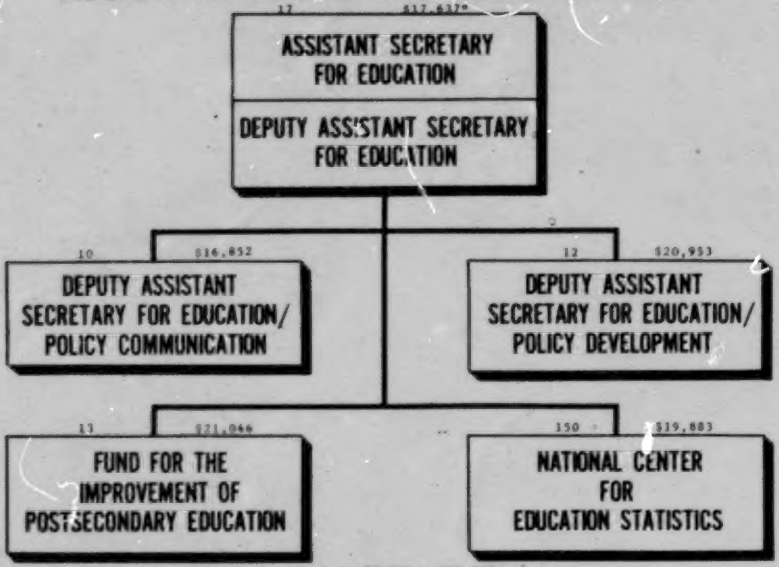
Mr. **MILLER.** Yes, sir, I will provide that information.

[The information follows:]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
EDUCATION DIVISION


SECRETARY OF HEALTH, EDUCATION, AND WELFARE
NATIONAL CENTER FOR EDUCATION STATISTICS
ASSISTANT SECRETARY FOR EDUCATION
FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION
NATIONAL COUNCIL ON EDUCATIONAL RESEARCH
OFFICE OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
ASSISTANT SECRETARY FOR EDUCATION


17
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ASSISTANT SECRETARY FOR EDUCATION
DEPUTY ASSISTANT SECRETARY FOR EDUCATION
10
$16,852
DEPUTY ASSISTANT SECRETARY FOR EDUCATION/ POLICY COMMUNICATION
12
$20,953
DEPUTY ASSISTANT SECRETARY FOR EDUCATION/ POLICY DEVELOPMENT
13
$21,066
FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION
150
$19,883
NATIONAL CENTER FOR EDUCATION STATISTICS

* Includes one ungraded position at $38,000.

Functional Statement of the
Office of the Assistant Secretary for Education

Assistant Secretary for Education--The Office of the Assistant Secretary for Education is responsible for direction and supervision of the Education Division, including policy coordination and management and administration of several programs. As part of the function of the Office, the Assistant Secretary for Education provides leadership for the education activities of the Department; serves as the key spokesman and advocate for education in assuring that the Department provides professional and financial assistance to strengthen education in/accordance with Federal laws and regulations; and serves as Chairman of the Federal Interagency Committee on Education, set up by Executive Order 11761 to coordinate educational programs and policies throughout the Federal level. In addition, the Assistant Secretary serves as the principal advisor to the Secretary of Health, Education, and Welfare on education affairs.

Office of Policy Development--Coordinates development of general policies in the Education Division including formulation of program and legislative initiatives. Provides guidance in determination of priorities, objectives, and goals for education including formulation of recommendations to the Assistant Secretary. Provides articulation among components of the Division to insure effective implementation of short- and long-term policy decisions.

Coordinates 5-year plans, program evaluation, budget submissions, and operating plans for the Assistant Secretary for Education. Monitors research and statistical activities in the agencies comprising the Education Division, as they relate to policy development. Coordinates budget construction among components of the Division. Advises the Assistant Secretary for Education on key implementation issues. Develops budget positions and testimony for the Assistant Secretary for Education for presentation before OMB, Congress, and the public.

Recommends program and policy issues for analysis, coordinates necessary studies and actions to be undertaken within the Education Division. Coordinates program information systems used at the level of the Assistant Secretary for Education and within the agencies comprising the Education Division.

Office of Policy Communication--Represents the Assistant Secretary and interprets Federal education policies to the education community and the general public. Maintains a capability for monitoring the activities of the education community to provide timely accurate intelligence on their program and legislative objectives, and to assure that their views are reflected in the policymaking process of the Division.

Is responsible for development and implementation of information strategies to assure that the programs and policies of the Education Division are effectively communicated to the education community and the general public. Supervises all activities of the Division affecting relationships with the education community including appropriate State agencies.

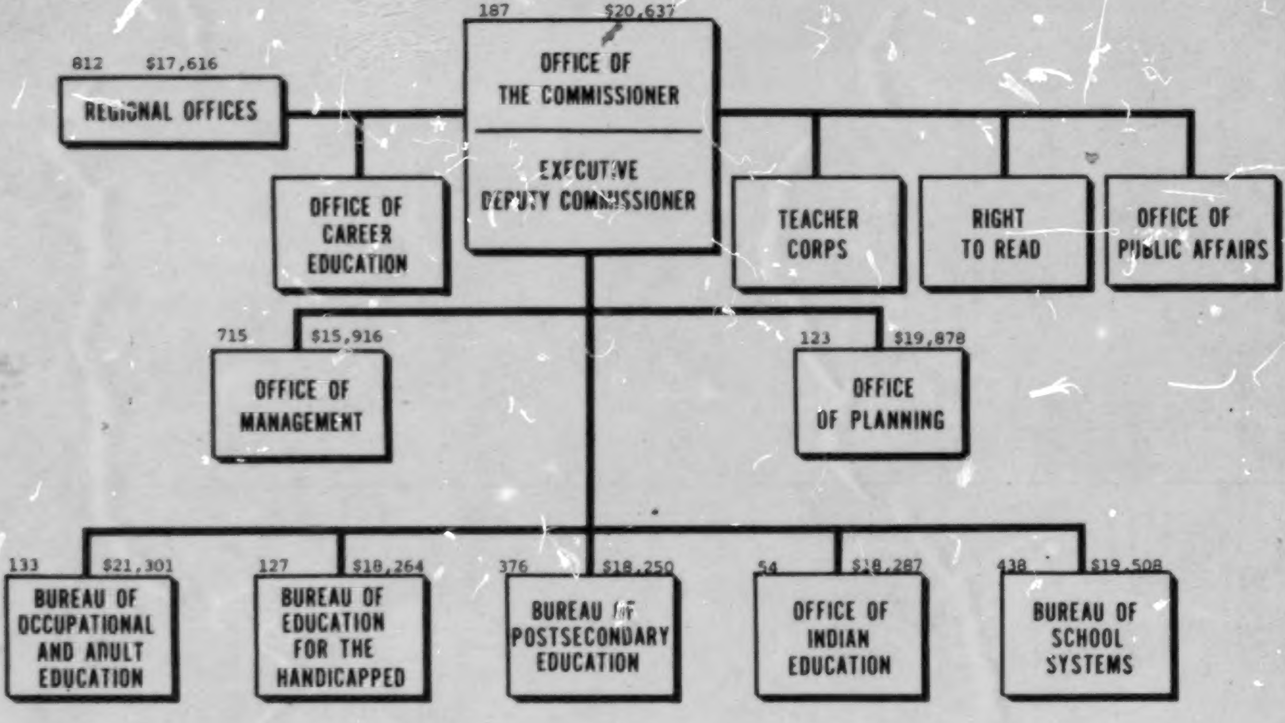
Provides principal support and guidance to the Federal Interagency Committee on Education. Participates in shaping input into the policy development and implementation process as it pertains to the development of legislation. Advises and consults with the Assistant Secretary for Education and the public information offices of the agencies comprising the Education Division on new policy initiatives, setting of priorities, and provision of policy guidance to Education Division agencies' public information offices. Directs Federal Interagency Committee on Education, consistent with Executive Order No. 11185.

National Center for Education Statistics--Collects and disseminates statistics and other data related to education in the United States and in other nations. Collects, collates, and, from time to time, reports full and complete statistics on the condition of education in the United States. Conducts and publishes reports on specialized analyses of the meaning and significance of such statistics. Assists State and local educational agencies in improving and automating their statistical and data collection activities. Reviews and reports on educational activities in foreign countries. Administers the program for the National Assessment of Educational Progress. Prepares the annual Data Acquisition Plan for the Education Division. Promotes formulation of statistical standards appropriate to the work of the National Center for Education Statistics. Conducts applied research in methods of educational statistics. Develops concepts and measurement instruments for new kinds of educational statistics.

Fund for the Improvement of Postsecondary Education--The Fund, which was established by the Education Amendments of 1972, was created to improve the effectiveness of postsecondary education by encouraging the reform and improvement of existing policies and practices in the field. Grants and contracts are awarded to postsecondary education institutions and agencies to support projects demonstrating new and exemplary approaches to postsecondary education, or adding to the understanding of successful approaches.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION



187 $20,637
OFFICE OF THE COMMISSIONER
EXECUTIVE DEPUTY COMMISSIONER

812 $17,616
REGIONAL OFFICES

OFFICE OF CAREER EDUCATION

TEACHER CORPS

RIGHT TO READ

OFFICE OF PUBLIC AFFAIRS

715 $15,916
OFFICE OF MANAGEMENT

123 $19,878
OFFICE OF PLANNING

133 $21,301
BUREAU OF OCCUPATIONAL AND ADULT EDUCATION

127 $18,264
BUREAU OF EDUCATION FOR THE HANDICAPPED

376 $18,250
BUREAU OF POSTSECONDARY EDUCATION

54 $18,287
OFFICE OF INDIAN EDUCATION

438 $19,508
BUREAU OF SCHOOL SYSTEMS

OFFICE OF THE COMMISSIONER

The Commissioner manages and directs the affairs of the Office of Education with the aid of staff advisors and assistants, internal advisory groups, and special staff.

TEACHER CORPS

The Teacher Corps administers a program to strengthen the educational opportunities available to children in areas having concentrations of low-income families. Encourages colleges and universities to broaden their programs of teacher education by developing systematic processes through which qualified teachers and teacher-interns can acquire specified competencies.

RIGHT TO READ

Administers the Right to Read Program which is designed to increase functional literacy in the United States.

OFFICE OF PUBLIC AFFAIRS

The Office of Public Affairs plans, develops, and directs a comprehensive public information program involving a variety of editorial services and the dissemination of news and publications for both print and audiovisual media in support of Office of Education programs. Primary mission is to acquaint the general public, and especially the Nation's educational community, with Office of Education programs and activities. Provides OE-wide and HEW coordination of general audiovisual resources. Formulates operational public affairs objectives to support those Agency objectives being tracked by the Secretary and the Commissioner. In cooperation with the Commissioner and the Deputy Assistant Secretary for Education (Policy Communication) coordinates Agency contact with major educational organizations.

OFFICE OF CAREER EDUCATION

Plans, develops and coordinates all career education conceptualization, policy formulation and program activity within the Office of Education designed to improve the prospects of all Americans to have a successful life by enhancing the educational experience with career options. Develops objectives and plans for career education activities, coordinates activities that implement and support those efforts and administers assigned programs of grants and contracts.

REGIONAL OFFICES

Provides for educational and administrative leadership in a region consistent with the provisions of Public Law 93-380 relating to Regional Offices. Carries out programmatic delegations of authority as assigned and in accordance with P.L. 93-380, "the regional offices shall serve as centers for the dissemination of information about the activities of the agencies in the Education Division and provide technical assistance to State and local education agencies, institutions or higher education, and other educational agencies, institutions, and organizations, and to individuals and other groups having an interest in federal education activities."

OFFICE OF MANAGEMENT

The Office of Management plans, directs and coordinates the activities of all segments of the Office having to do with management planning and evaluation, administrative and business management and operation and management of a program of low interest long-term insured loans for college and vocational students.

OFFICE OF PLANNING

The Office of Planning directs and coordinates the activities of all segments of the Office having to do with program planning and evaluation, legislative planning, Congressional liaison.

BUREAU OF SCHOOL SYSTEMS

The Bureau of School Systems formulates policy for, directs, and coordinates the activities of, the elements of the Office of Education which deal with preschool, elementary and secondary matters, and libraries.

BUREAU OF OCCUPATIONAL AND ADULT EDUCATION

The Bureau of Occupational and Adult Education administers programs of grants, contracts, and technical assistance for vocational and technical education, occupational education, career education, manpower development and training, adult education, consumer education, education professions development and drop-out prevention.

BUREAU OF POSTSECONDARY EDUCATION

The Bureau of Postsecondary Education formulates policy for, directs and coordinates activities of the element of the Office which deal with programs for assistance to postsecondary educational institutions and students, to international education.

OFFICE OF INDIAN EDUCATION

The Office of Indian Education administers programs of grants to local educational agencies for elementary and secondary school programs designed to meet the special educational needs of Indian children and administers grants and, where applicable, contracts with eligible institutions, organizations or agencies for special programs and projects to improve educational opportunities for Indian children and for special programs to improve educational opportunities for adult Indians. Responsible for programs designed to prepare individuals for teaching or administering programs for Indian children and for awarding fellowships to Indian students in graduate and professional programs. Also coordinates other efforts to improve educational opportunities for Indians at all educational levels.

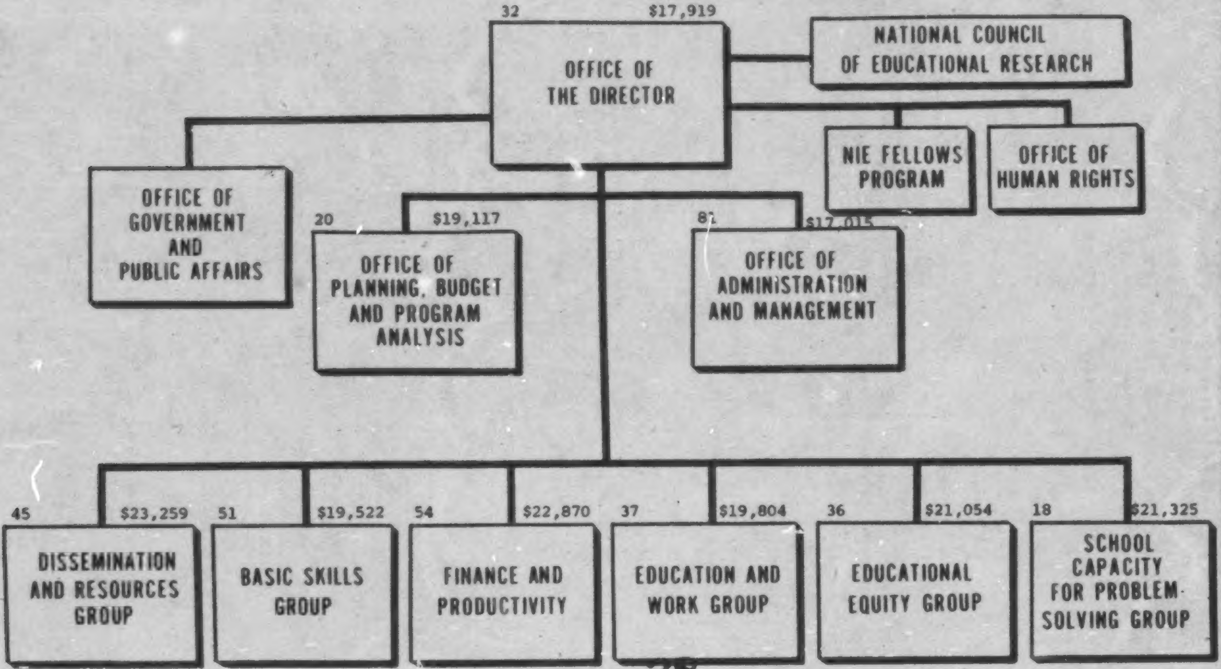
BUREAU OF EDUCATION FOR THE HANDICAPPED

The Bureau of Education for the Handicapped administers programs and projects relating to the education and training of, and services for the handicapped, including programs and projects for the training of teachers of the handicapped and for research in such education and training. Establishes Federal education policies for education of handicapped children and coordinates the development and implementation of such policies with other agencies and institutions. Responsible for the Gifted and Talented Children and Youth program and for providing staff support to the National Advisory Committee on the Handicapped.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

NATIONAL INSTITUTE OF EDUCATION

(PROPOSED ORGANIZATION FEB. 1975)


32
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OFFICE OF THE DIRECTOR
NATIONAL COUNCIL OF EDUCATIONAL RESEARCH
NIE FELLOWS PROGRAM
OFFICE OF HUMAN RIGHTS
OFFICE OF GOVERNMENT AND PUBLIC AFFAIRS
20
$19,117
OFFICE OF PLANNING, BUDGET AND PROGRAM ANALYSIS
81
$17,015
OFFICE OF ADMINISTRATION AND MANAGEMENT
45
$23,259
DISSEMINATION AND RESOURCES GROUP
51
$19,522
BASIC SKILLS GROUP
54
$22,870
FINANCE AND PRODUCTIVITY
37
$19,804
EDUCATION AND WORK GROUP
36
$21,054
EDUCATIONAL EQUITY GROUP
18
$21,325
SCHOOL CAPACITY FOR PROBLEM-SOLVING GROUP

The proposed organization for the National Institute of Education which has been submitted to the Department of Health, Education, and Welfare for approval is as follows:

1. The National Council on Educational Research: Establishes general policies for, and reviews the conduct of the Institute.

2. The Office of the Director: Coordinates and directs the activities of the Institute.

3. Office of Government and Public Affairs: Carries out responsibilities for liaison to Congress, various educational communities, research organizations and interested public groups as well as providing public affairs support to the Institute.

4. Office of Human Rights: Carries out responsibilities to ensure that the Institute, both in its internal operations and in its programs is sensitive to the concerns of minority communities and to the concerns of women by (a) pursuing equal employment opportunity and (b) preparing with the assistance of the Committee on Equal Educational Opportunity (with Institute-wide membership), descriptions and analyses of the Institute's programs as they relate to quality of educational opportunity and developing recommendations for how the Institute can more effectively achieve the objective that every person shall have an equal opportunity to receive an education of high quality regardless of race, color, religion, sex, national origin or social class.

5. NIE Fellows Program Staff: Carries out responsibilities for a residential scholars program to affiliate senior level researchers and practitioners with NIE to address special needs and provide expertise to the Institute in various areas.

6. Office of Planning, Budget, and Program Analysis: Carries out responsibilities for the preparation, presentation and execution of the Institute's annual budget; for the development and operation of the Institute's annual and long range program planning process; for program review and analysis and for National Council policy and administrative coordination functions.

7. Office of Administration and Management: Carries out responsibilities for administrative and managerial systems required for the operation of the Institute; for the internal review of functions related to the fiscal operations of the Institute; and for the development of standards and guidelines for the administration of Institute programs and the review and coordination of regulations development for new activities.

8. Dissemination and Resources Group: Responsible for improving the dissemination and use of knowledge for solving educational problems, and for activities to study, evaluate, and improve the capabilities of institutions and individuals to produce and use knowledge in improving education.

9. Basic Skills Group: responsible for carrying out research on the teaching and learning of basic subjects (primarily reading and mathematics) and on the measurement of student progress in these areas. Through the application of research findings and new developments to classroom instruction, the Basic Skills Group expects to provide a sound basis for the improvement of education and for equal educational opportunity.

10. Finance and Productivity Group: responsible for carrying out a program to improve the effectiveness and efficiency of our educational institutions through a program of policy studies; research and development in the areas of finance, management, organization, alternative delivery systems; and the application of competency concepts.

11. School Capacity for Problem-Solving Group: Responsible for identifying and understanding how school systems develop the capacity for problem solving and for finding ways of helping other schools to do so. This Group will (a) study the workings and assess the effectiveness of selected organizational strategies in initiating and sustaining school improvements; (b) identify and study policy and basic research issues involved in the development and implementation of such strategies; and (c) develop ways of utilizing the knowledge generated by the study of policy and basic research issues to help schools and school systems to employ various strategies.

12. Education and Work Group: Responsible for carrying out a program to improve the preparation of youth and adults for entering and progressing in careers. This Group will develop and test projects that increase understanding of the issues and problems associated with education and work; support programs that will develop the skills and abilities necessary for successful entry and progression in careers; and conduct policy studies to determine how to ensure effective dissemination and implementation of the results of Education and Work programs and projects, and to determine directions for new activities.

13. Educational Equity Group: Responsible for carrying out a program of research and development activities which will assist schools in providing more adequate education for many students who have been limited in their choice of educational programs because of their home language, culture, ethnicity, sex, or economic status.

The following chart reflects the proposed organization which the National Institute of Education has submitted to DHEW for approval, and which is consistent with the President's FY 76 budget.

The current on board staffing level and average salary is listed for each major organizational function. The average salary figure combines average salaries for NIE's General Schedule employees as well as employees appointed in the Excepted Service who are not graded but paid within one of several salary ranges.

INTEGRATION OF WORK AND EDUCATION

Senator **Brooke**. I note that the Fund for the Improvement of Postsecondary Education will devote particular attention to the "improved integration of work and education." This is an area where the National Institute of Education is devoting some attention, too. Are the efforts under postsecondary complementary with those of NIE, or do they work at cross-purposes?

Dr. **Trotter**. The activities of the fund program and the Institute in this area are quite distinct and complementary. The Institute has stressed support for relatively comprehensive demonstration models and related policy studies, while the fund has provided grants of limited size to institutions to aid in the installation of career options and programs. The two staffs have, over the 3-year lifespan of both agencies, maintained contact to insure that their efforts would not be duplicative.

THE COORDINATION OF OVERLAPPING PROGRAMS WITHIN THE EDUCATION DIVISION

Senator **Magnuson**. Would you also provide for the record, a listing of those programs under your agency which overlap in one respect or another, with other programs within the Office of Education. Can such programs be consolidated to make them more concise and lessen administrative costs and programmatic duplication?

Dr. **Trotter**. My office is attempting to coordinate the interrelated program and staff resources within the Education Division. Presently, there are over 100 separately authorized programs, and many of these focus directly or indirectly on similar target populations. For example, there are 44 programs which serve the educational needs of American Indians, a dozen major elementary and secondary programs which impact directly on children with limited English-speaking ability, and some 16 programs which attempt, directly or indirectly, to involve handicapped children. I have developed two separate strategies for reducing duplication of efforts. Through the means of the department-wide operational planning system—OPS—I am monitoring the separate activities relating to bilingual education and program or project dissemination. Periodic management reviews of these activities will assure some degree of cooperation and coordination. The second management strategy involves the establishment of ad hoc working groups, with representatives from the appropriate offices, for the purpose of preparing forward planning and policy documents. For example, task force groups have been established to deal with such crosscutting concerns as school finance, compensatory education, and Indian education.

For the next fiscal year, I will submit a forward plan to the Department which integrates those areas where program and administrative costs and activities may overlap. Particular concern this year will be given to the areas of dissemination of successful programs, bilingual and Indian education.

I shall emphasize that it is an oversimplification to assume that inefficient duplication exists simply because more than one agency in the Education Division is working on a given problem. Nevertheless the concern expressed in your question is a very real and serious matter which will occupy a substantial amount of our time during the next fiscal year.

A detailed listing of overlapping programs would certainly be headed by the activities I have already cited. A further list, not listed in order of priority, would include institutional assistance, curriculum development, support for educational technology and media, educational and manpower training, and research and demonstrations of effective reading and career education programs. The latter, a major division-wide priority, relates to the identification of newer methods and materials for integrating the existing school program with career guidance and for improving the transition between formal schooling and work experiences.

Senator **Magnuson**. Thank you, Dr. Trotter.

OFFICE OF EDUCATION

STATEMENT OF DR. T. H. BELL, COMMISSIONER OF EDUCATION

ACCOMPANIED BY:

- DUANE J. MATTHEIS, EXECUTIVE DEPUTY COMMISSIONER OF EDUCATION
- S. W. HERRELL, ACTING DEPUTY COMMISSIONER FOR POST-SECONDARY EDUCATION
- DR. EDWIN W. MARTIN, ACTING DEPUTY COMMISSIONER FOR EDUCATION OF THE HANDICAPPED
- ROBERT R. WHEELER, ACTING DEPUTY COMMISSIONER FOR SCHOOL SYSTEMS
- DR. WILLIAM F. PIERCE, DEPUTY COMMISSIONER FOR OCCUPATIONAL AND ADULT EDUCATION
- EDWARD T. YORK, JR., DEPUTY COMMISSIONER FOR MANAGEMENT
- DR. JOHN W. EVANS, ACTING DEPUTY COMMISSIONER FOR PLANNING
- MRS. CORA P. BEEBE, ACTING BUDGET OFFICER
- EMERSON ELLIOTT, ACTING DIRECTOR, NATIONAL INSTITUTE OF EDUCATION
- CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER

PREPARED STATEMENT

Senator MAGNUSON. Since we have run out of time, you may wish to submit your statement for the record.

Dr. BELL. Yes; I would like to submit it, thank you.

Senator MAGNUSON. Without objection, so ordered.

[The statement follows:]

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear before you today to discuss the fiscal year 1976 budget request for the Office of Education.

The effort to prepare a budget proposal for federal education programs has been more difficult this year than before because of the economic circumstances throughout the nation, and the lack of funds for increases in priority areas or for new initiatives. Our task has been less one of laying out the ambitious things we would like to do, and more one of painfully selecting the essential things which must be done.

I am proposing to you a restrained 1976 budget for Office of Education programs which totals $6.0 billion. To respond to constraints in a rational and constructive way does not mean slicing everything by some constant percentage. It must rather involve a disciplined effort to focus our limited resources on the central educational needs of the country. These problems are the ones I have cited before--to promote equal education opportunity, improve the quality and relevance of educational practice in general, and bring education into closer touch with the world of work. The programs that relate to these problems command our priority. Many others are worthy areas of endeavor, but they are not of the same over-riding national importance. We have substantially reduced our request in many areas which are not targeted on these priorities to meet over all constraints so that cuts would have to be taken in priority areas.

Our total request for Elementary and Secondary Education is $2.7 billion. This is the first year in which our regular appropriations request for this activity is largely on an advance-funded basis. We are requesting $2.2 billion for activities that will take place during the 1976-77 school year, as well as $.5 billion for activities taking place in 1975-76.

Our request for activities providing Education for the Handicapped is based upon the need to help the States to increase capacity to serve the handicapped in schools. The course we have taken in this budget is to keep a lid on the State grant program for the handicapped--the basic formula program that pays for services--and instead to put money into teacher training, research and development, materials development, demonstrations and other programs that help build the structure. We are asking for a total of $125 million for these programs in 1976, up $25.4 million from the fiscal year 1975 appropriation. At the same time we are requesting an advance-funded $50 million for the State grant appropriation.

In Vocational Education the Administration will shortly be proposing new authorizing legislation to the Congress. Our budget therefore is proposed for later transmittal, contingent upon enactment of this legislation. The legislation will clarify the Federal role in vocational education as primarily one of capacity building. We will propose significant re-directions, but no reduction in funding. We are asking for a total of $160 million for the discretionary capacity-building part of the vocational education appropriation, and $363 million for the State grant segment.

Our request for Adult Education of $67.5 million, which is the amount appropriated last year, is sufficient to meet the hold harmless requirements.

Our Education Personnel request is for $45.7 million. This includes $3 million for a new program to improve Education Leadership in the schools by providing inservice training of school administrators and the fifth and final year of support for the Urban Rural program.

Our overall request for Postsecondary Education is for $2 billion. Here also we will be coming forward with comprehensive legislative proposals this session.

The request continues our emphasis on equalizing educational opportunity through comprehensive student assistance programs. Student assistance makes up 90 percent of the postsecondary budget. We are again requesting increases in the Basic Grant Program, to a total of $1 billion. We are also asking for a doubling in the State Student Incentive Grant Program, to $44 million, in order to attract more State and local money into student aid.

We are requesting $452 million for the Guaranteed Student Loan Program plus an additional $201.8 million under the Student Loan Insurance Fund. In addition to these student assistance programs, we are again requesting $70.3 million for Special Programs for the Disadvantaged and $110 million for the Developing Institutions program.

BURDEN ON THE SCHOOLS

Senator **MAGNUSON**. Mr. Commissioner, you were once a superintendent of schools. Do you think it is fair to the schools that the Government and the courts are applying new requirements and guidelines, while HEW's education budget goes down?

Dr. **BELL**. The Congress and courts are applying new requirements and guidelines which do present additional costs. Actions of the courts relate to equal rights for students such as minority students and students with bilingual problems. The new requirements of Public Law 93–380 are primarily matters of good administrative practice such as adequate evaluation and competent planning. The U.S. Office of Education is striving to keep regulations and guidelines to a minimum required to comply with the law.

ADMINISTRATION'S ENERGY PROPOSAL

Senator **MAGNUSON**. There seems to be a growing concern over the impact of the President's energy package on the schools. Most of them rely heavily on residual fuel for steam or electricity. Have you looked into this problem? Should the school be exempted from new pricing regulations?

Dr. **BELL**. There is no question that there is a problem, in the sense that schools and colleges, unlike profitmaking institutions, find it difficult to pass through the increased costs of energy. There is no special treatment in the current proposal for residual oil. The only recourse, as a practical matter, is to raise tuition on the college level or float bonds or increase taxes at the elementary and secondary level.

The administration is aware of this difficulty, of course. The Federal Energy Administration has been having discussions with a number of educational groups. It is our understanding that the FEA expects to have some new proposals within 30 to 60 days which would insure that the educational sector receives equitable treatment.

CONSOLIDATION

Senator **MAGNUSON**. Last year the Congress appropriated some funds on a consolidation basis. In other words, some categorical programs were merged with others—and the States were allowed to distribute the money as they saw fit. According to a letter you sent us, the more populous States gained as a result of the consolidation. Do you think some sort of hold-harmless for the other States might be an issue to consider?

Dr. **BELL**. It is an issue that should be considered. However, the problem is indeed complex and should be carefully analyzed before any decisions are made.

If the formula for distributing the appropriation for the programs included under parts B and C are not changed, 16 States in fiscal year 1976 will have relatively small amounts or no funds available under part C for LEA's for innovations, nutrition and health, and dropout prevention projects. The funds, which will be available for those purposes, will be available from the 50-percent funds earmarked for the categorical programs. In 2 of the 16 States, the sum of the total amount of their part C allocation—50 percent—and their categorical

ESEA title V amount does not equal the amount available to the State under ESEA title V in fiscal year 1975.

In fiscal year 1977, when full consolidation takes place, 14 States and the District of Columbia will have less funds available for LEA use under part B than was available in fiscal year 1975 for the corresponding categorical programs. For example, Alaska, Nevada, Vermont, and Wyoming are down $116,000, $113,000, $138,000, and $142,000, respectively. These losses are further compounded by the fact that $18.8 million of guidance, counseling, and testing funds formerly included under ESEA title III were included in part B. Thus, for example, Alaska has $116,000 fewer dollars to utilize for three program purposes instead of two purposes.

The most critical problem is in part C. In fiscal year 1977, 27 States, the District of Columbia, and Puerto Rico will have less funds available to LEA's than in fiscal year 1975. Four of the States—Alaska, Nevada, Vermont, and Wyoming—will not have any part C funds available to LEA's after the SEA deducts its ESEA title V type activity funds. In fact, these four States do not have part C allocations which are large enough to meet their title V authorized amount.

Senator MAGNUSON. What sort of feedback have you had from the States?

Dr. BELL. The less populous States have been working together to develop a proposed solution and several of the States which gain funds have worked with them. A group of the less populous States met in Albuquerque, N. Mex., on February 13 and 14 to study the problem. At this meeting, a resolution was adopted which called for no State to receive less than it received for each program in the fiscal year ending June 30, 1974.

I would like to provide the resolution for the record.

[The resolution follows:]

Representatives of State Departments of Education meeting on February 13 and 14, 1975 in Albuquerque, New Mexico, at the invitation of Superintendent of Public Instruction Leonard J. De Layo, discussed at length the problems which will be encountered by the small population states in the loss of federal funds as a result of an apparent oversight in the statutory language of P.L. 93-380 Title IV Part B and C.

Over twenty states will suffer in funding in amounts ranging up to more than a half-million dollars per year in some cases. These losses will have a negative effect both on state services and availability of federal flow through funds for LEA programs.

The following resolution was unanimously passed by the group assembled.

Whereas there is no evidence whatsoever that it was Congressional intent that states sustain these losses, and indeed that there is ample evidence that Congress intended specifically that program consolidation not result in diminution of funds available to any state.

Whereas no substantive change in the language of P.L. 93-380 would be needed to correct the problem, only a technical amendment,

Be it resolved that a technical amendment be enacted which embodies the concept of a floor below which fund availability to each state would not drop under the consolidation. Such an amendment might be worded as follows,

> Section 402 (a) (2) . . . the Commissioner shall allot to each state an amount which bears the same ratio to such amount as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States, *provided that each state will receive no less than that received for each program in the fiscal year ending June 30, 1974.*

As the hold harmless amendment urged above is an immediate and short range solution to the inequitable distribution, it is recommended that USOE, Congressional Committee staffs and SEA's, examine alternate distribution systems for P.L. 93-380 Title IV so that equitable distribution will be assured in the future.

As a matter of proper procedure, it was agreed that the statements of the group assembled be transmitted to the Legislative Committee of the Council of Chief State School Officers, encouraging the Council to secure the support of its total membership, and in the cause of justice and equity to unite in an appeal to the appropriate Congressional Committees to institute corrective legislation. Concurrently, the individual chiefs are urged to alert their own congressional delegations to the nature and seriousness of the problem.

Dr. **Bell.** The reaction of the States that gain funds to a hold-harmless provision is not known. Some States have indicated that they do not believe that Congress intended any State to lose funds under consolidation and that they would be willing to work for a solution.

IMPOUNDED FUNDS

Senator **Magnuson.** The fiscal year is nearly three-quarters over and you still have not released the money impounded for rescission. Have you got your people ready to move on this or will we have another rush to spend on June 29?

Dr. **Bell.** We are ready to move, and if Congress does not enact a rescission bill by March 17, all funds will be released then. We hope and expect to obligate these funds by the end of the fiscal year.

For the next few years, at least, a major increase in the Federal share of education expenditures is unlikely. Overall budget constraints will continue to put limits on the new educational programs that the Government can take on. The key question will continue to be the distribution of Federal funds, rather than the total amount. I believe that the current level of funding, if distributed in a way that matches with the proper Federal role in education, will enable us to meet our responsibilities.

NEW IMPACT AID PROPOSAL

Senator **Magnuson.** It seems a bit unusual to have HEW submit new legislation for Impact Aid just 8 months after the Congress enacted a new law. What is the rationale for ignoring the new law and what are you proposing instead?

Dr. **Bell.** The law enacted 8 months ago substantially revised Public Law 81-874 authorization language. Entitlement formulas and methods of determining payments have been dramatically changed. As a result, what was a complex law has become more complicated and confusing to both applicants and administrators.

Several changes that are scheduled to go into effect in fiscal year 1976 result in undesirable complexities and, in some instances, reverse the intent of providing basic educational support. These changes include the creation of several subcategories of "A" children; establishment of new subcategories of "B" children to provide varying local contribution rates for children who reside on Federal property only, those whose parents are employed in the same county as the school district, those employed out of the county but in the same State, and those in the uniformed services; addition of payments to handicapped children of parents in the uniformed services in both "A" and "B" categories equal to one and a half times the usual rate if a specific program for their educational needs is being provided; provision of three payment tiers when appropriations are not sufficient to provide full entitlement; authorization of payments for low-rent housing children which must be used for programs and projects designed to meet the special educational needs of educationally deprived children from low-income families; modification and extension of assistance for decreases in Federal activities; and four hold-harmless provisions.

We anticipate major administrative problems in implementing the majority of changes. Further, we do not believe that these changes sufficiently reform the inherent inequities in the program.

Instead, we are proposing new legislation which would result in computing entitlements and payments as they have been in the past—100 percent for heavily impacted "A's", 90 percent for other "A's", 68 percent for "B's"—less out-of-State "B's", and 100 percent for the remaining provisions. Once entitlements are determined, we propose that 5 percent of a district's previous year's total operating expenditure be deducted to determine actual payment. Under this proposal, no district will lose more than 5 percent of the previous year's total operating expenditure. In fact, the great majority of districts who would not receive impact aid funds would lose less than 2 percent.

We believe that this proposal will result in a far more equitable distribution of impact aid funds.

Nonetheless, Senator, you may be certain that we are not ignoring the existing law which becomes effective on July 1, 1975. Personnel within the Impact Aid Division, as well as others within the Office of Education, are proceeding with all deliberate speed in the preparation of proposed rules, application forms, worksheets, internal communications, modification of computer programs, and all necessary steps are being taken to implement the law in fiscal year 1976.

BASIC GRANT PROGRAM

Senator MAGNUSON. I understand the Basic Grant (BOG's) program is carrying a surplus of over $100 million. Doesn't this mean that the students were shortchanged? You had a $50 million surplus last year. Why is the situation getting worse instead of better?

Mr. VOIGT. As you know, Senator, this is a fairly complex situation and we would like to provide a detailed answer for the record.

[The information follows:]

EXPLANATION OF SURPLUS IN THE BASIC GRANT PROGRAM

The underutilization situation is a very complex one. It may be helpful to explain this in terms of the process of estimating expenditures for the program, the Payment Schedule, and the reason we are faced with the current problem.

Background

The Payment Schedule is a table used by institutions to determine the amount of a student's award by finding that student's eligibility index and the cost of attendance. This table is issued annually and reflects our best estimates of the number and types of students who are eligible for the program, the enrollment patterns of such students among institutions, the cost of attendance at these institutions, and the amount of funds available during the given year for the Basic Grant Program. In addition, included in the estimates used in the development of the Payment Schedule is an estimate of the number of eligible students who will actually apply for and be determined eligible, and request payment of their Basic Grant awards. Based on these major factors, the Payment Schedule is issued and used for the duration of the academic year and we have an obligation to honor the level of awards indicated on the Schedule. Once issued, the Payment Schedule should not be changed since such a change would require a recomputation of awards for every student who has requested calculation and/or payment of their Basic Grant award to that date. Last year when the Payment Schedule was devised for the current academic year, we were hampered by the fact that we did not have experience data for a full year of operation of the program and the only data base we had was questionable for the following reasons:

-- During the 1973-74 academic year, the student application forms were distributed quite late in the year, and therefore, a number of students had already financed their postsecondary education using financial aid from different sources or had made other decisions regarding their future plans. In order for some institutions to use Basic Grants in student aid packages, the entire package would have to have been recalculated and funds shifted around.

-- Because of the lateness of the distribution of applications, many high schools were closed and could not be utilized as a distribution point nor could high school counselors assist in making students aware of Basic Grants and encouraging students to apply. Therefore, a number of students who normally could have been reached through the high schools had already graduated and were not aware of the availability of Basic Grant assistance. This problem was particularly severe since Basic Grant eligibility was restricted, in the first year, to those who were just beginning their postsecondary education.

-- Because of the low level of the 1973 appropriation for the program, student awards were quite small, ranging up to $452 for students with maximum need. We assume that a number of students did not apply because of these low award levels.

-- Many of the 1973-74 applications which were received were from high school seniors who would not be enrolling until 1974-75. However, since the number of such high school seniors was difficult to estimate, the validity of the data base for the first year's operation was again suspect.

-- The program was new and at the same time had limited acceptance in the postsecondary community. We believe that, in a number of cases, limited effort was made by institutions of postsecondary education to assist the success of the program. For example, a fairly substantial number of community colleges with large enrollments and located in low-income areas had less than one percent of their students receiving Basic Grants.

In spite of the fact that the first year's experience provided a questionable data base, we felt that our estimates used in the 1974-75 Payment Schedule seemed to be quite reasonable and even to incur some degree of risk of overexpenditure. This assumption seemed to be particularly valid because of the actions which were taken by program staff to achieve a higher rate of utilization during the second year of operation, including:

1. Speedy publication of the Family Contribution Schedule for 1974-75. In September, 1973, we published the 1974-75 Family Contribution Schedules in the Federal Register, for comment. Once resolution was reached on the recommendations for modifying the schedules, we were able to present them to the House and Senate Subcommittees well ahead of the legislatively prescribed dates, and the Congress was able to approve the 1974-75 Family Contribution Schedules on December 20, 1973.

2. Simplification of Application, and Printing and Dissemination of Form and Related Materials. After eliminating the very complex "self-computation" worksheet and significantly streamlining and simplifying the form and instructions, we were able to submit the materials to the Government Printing Office in January. By early March, the printing contractor was able to print the applications and related materials (posters, fact sheets, brochures, cover letters, and reorder cards), box them, and begin the distribution to all high schools, eligible institutions of postsecondary education, and other locations easily accessible to students. This distribution was completed by the end of March, assuring that these forms would be available to students still in school.

3. Public Information Campaign. In February, 1974, a contract was let to design mechanisms to inform students about the availability of Basic Grant assistance. The contractor prepared five sixty-second television spots and fifteen, thirty-second radio spots which were distributed to every radio and television station in the country. Each of the television and radio spots had a different theme designed to appeal to various segments of the disadvantaged target population. The spots featured a Black student, three female students, a Chicano family, a Puerto Rican classroom, and an animated version for general use. The central point of each spot was to make students aware of how the new Basic Grant program could play a major role in financing their post high school graduation plans.

4. Training Efforts. A second contract was let to a consortium of the National Institute for Student Financial Aid Administrators, the American Personnel and Guidance Association, and the National Association of College and University Business Officers to conduct training sessions between April and June of 1974 to reach secondary school counselors before the schools closed for the summer. The primary purposes of this effort were to inform the participants about the Basic Grant program and to urge them to encourage their students to apply. In order to assist in this training effort, the Basic Grant Program prepared two documents, a Guide to Basic Grants for the use of secondary school counselors and a Basic Grant Handbook for postsecondary school personnel.

We believe that these sessions were a major factor in increasing the acceptance of the program and, in fact, resulted in considerable support of Basic Grants at both the secondary and postsecondary levels. For these reasons we are conducting improved training programs on a similar scale this Spring.

5. Modification of Basic Grant Application Form to Assist Financial Aid Officers. One of the major problems we experienced during 1973-74 was the inability of institutions to determine the application status of students enrolled in their schools. Similarly, many States expressed concern about their inability to "package" State aid with Basic Grant assistance. As a result of these concerns, we modified the Basic Grant application form to include an item asking students to list the name of the school in which they are planning to enroll if they have made that decision. Based on that information we prepared an applicant roster which lists, by institution, the name and address of each applicant who indicated that school on the application form and the status of each of these applications (eligible, not eligible, or rejected for insufficient information). Similarly, an applicant roster, based on the student's permanent address, is prepared by State and distributed to State Scholarship Agencies.

These rosters, which are distributed monthly, provide both institutional financial aid officers and State financial aid agencies with information on students who applied for Basic Grant assistance so that Basic Grants can be effectively coordinated with other forms of aid.

In addition, the institutional roster is being used by financial aid officers to ensure that all students who apply for other forms of assistance have also applied for Basic Grants. The financial aid officer can also use his list to identify those students who did not provide sufficient information on their Basic Grant applications, and assist them in completing their forms. The applicant roster issued in December was a cumulative one which listed the most recent record of each student. For the 1975-76 academic year, the institutional roster will include the applicant's eligibility index and will be cumulative each month. In this way we will provide further assistance to schools in the effective packaging of limited financial assistance.

Unfortunately, in spite of all of our efforts it seems that we will again have a problem of unexpended funds. If we were to use the same data source we used last year, the application flow, it appears that we would not have a significant underutilization problem. As a matter of fact, the application flow to date seems to be approximately the level estimated when we devised last year's Payment Schedule, and the level needed to expend the funds available for 1974-75. We expect to receive about 1.4 million applications before the March 15 closing date and the eligibility rate, at about 50 percent, is what we had anticipated. In addition, the average family contribution, based on the applications, would result in an average award of $750, resulting in a total expenditure of $525 million.

However, this year we have a second major indicator of the amount that the program may be able to expend during the current year, the data provided by participating institutions on their first Progress Report. The institutions report the amount of funds expended as of October 31 and estimate the amount of additional funds needed to meet the demand for Basic Grant funds through the balance of the academic year. Based on the information provided on the October 1974-75 Progress Report, it appears that the Basic Grant Program will expend approximately $400 million for academic year 1974-75.

There appear to be a number of factors which account for the differences between the data collected through the application processing mechanism and that of the institutional reporting system. For example, using a telephone survey of a small number of schools, we have determined that many students who were eligible are enrolled in postsecondary schools on less than a full-time basis. Therefore, these students appear as eligibles based on the application processing data but do not appear as recipients in the institution's reports. In addition, it appears that many high school counselors distributed these applications to all of the seniors in their schools who might be eligible regardless of the students' plans for postsecondary education. Therefore, we believe that a significant number of persons submitted applications and were found eligible even though these students did not plan to pursue postsecondary education. As a result, the number of eligible applicants is not an accurate guide in terms of numbers of actual participants.

Another major factor is that based on data obtained from the application processing system, the average award should be about $750. However, the average award as reported on the institutional progress report appears to be around $675. The reason for this, we think, is that many non-traditional institutions (especially proprietary schools) have academic programs which are less than a full academic year in length. Program regulations require in those instances that student awards be reduced to take this fact into account. As a result, average awards in those institutions are below the levels expected, causing a reduction from our estimated level of expenditures. Similarly, students enrolled for only a portion of an academic year (for instance, one semester), must also have their needs reduced with the same impact on our estimates of expenditures.

While this reduction is considerably larger than we expected at the time that the 1974-75 Payment Schedule was finalized, it appears to be consistent with newly available data from the 1973-74 academic year, which indicate that student awards were reduced to account for this reduced period of enrollment.

Finally, since students can apply for Basic Grants during most of the academic year, many students who applied late for Basic Grants may have already had student aid packages which would have to be adjusted later in the academic year. As a result some schools may not actively encourage students to utilize the program in order to minimize making these adjustments or to avoid possible overaward situations.

Another serious problem is a result of the funding limitations, which required that the program limit student eligibility to students who enrolled in postsecondary school after April 1, 1973. Although solid data are not available, there are indications that a large number of students who would otherwise be eligible are restricted from participating as a result of this cut-off date. This, of course, would reduce the number of participants in the program as well as reduce expenditure levels. However, since hard data are not available, it is extremely difficult to account for these students in our estimation system.

Anecdotal information obtained from our sample survey of schools indicates that a relatively significant number of low-income students are enrolled in postsecondary education and receive no assistance from any source. It appears that many of these students are living at home and attending low-cost schools. As a result, these students do not perceive that they have any recognized need. Therefore, the financial aid office never has contact with these students and cannot inform them about Basic Grants. This number, of course, is difficult to estimate but it would certainly be a factor in the accuracy of the estimates of program participation since these students are also included in our total eligible population.

While it is difficult to determine the degree of effect of any of the above factors on the likely underexpenditures of 1974-75 funds, we believe each of them has contributed to this condition. Let me repeat that the program staff during the first two years of operation did not have sufficient program data and experience to take many of these factors into account, and that the statistical data base used to develop estimates is only part of the total effort. The process is further complicated because we are required to project behavior patterns of students, parents, and institutions in light of changing economic circumstances. Therefore, the Basic Grant staff has been unable to match projections of expenditures to appropriations. However, as experience is gained by the program staff, these facts can be more easily assessed and it is expected that the funding estimation procedures will be significantly improved.

ETHNIC HERITAGE PROGRAM

Mr. **Schweiker**. Have you gotten any feedback from the field on the ethnic heritage program?

Mr. **Herrell**. As you know, 42 projects funded in fiscal year 1974 with an appropriation of $2,375,000 under title IX, ESEA are currently underway in 27 States and the District of Columbia. In recent months, members of the OE staff have made site visits to about a dozen projects and report that most are well underway. We have noted that the requirements of the Act prior to its amendment in Public Law 93-380, placed heavy demands on grantees, and they will be hard-pressed to complete all of their projected activities by the close of the fiscal year. We expect that the fiscal year 1975 program, based upon the amended legislation, will be both more realistic and more successful in accomplishing its objectives.

Many of the project directors report an enthusiastic response to the program from ethnic groups across the country. Local and national ethnic organizations have provided invaluable resources in the development of ethnic studies projects, as members of advisory councils, project staff, and in less formal ways. They have suggested appropriate topics for curriculum development: have evaluated preliminary materials for accuracy and objectivity; have recommended existing resources on ethnic studies; have donated memoirs, photographs, letters, and other materials; disseminated information on the projects through their newsletters; and, in some cases, even offered financial assistance. While collaboration between established educational institutions and grassroots organizations is difficult to achieve, we are hopeful that many of the ethnic heritage studies projects are developing in response to and in conjunction with genuine community needs. We are also gratified to hear that a number of the projects—both multiethnic and single ethnic—are developing among ethnic groups a new consciousness of their common concerns and problems.

Mr. **Schweiker**. How many projects could be supported with the $1.8 million we provided in December?

Mr. **Herrell**. We anticipate that the fiscal year 1975 appropriation will fund approximately 32 grants.

STRENGTHENING DEVELOPING INSTITUTIONS

Senator **Brooke**. Your 1976 request is about $10 million under your 1975 request, putting it at the level of the 1975 appropriation. Why are you only holding the line on this program? Isn't there a need for a $120 million level?

Dr. **Bell**. The request remains at $110 million for two reasons. In the basic program it is anticipated that fewer institutions will be funded. Hopefully, a number of those currently funded will move from the basic to the advanced program and thus open the way for new developing institutions. Second, the advanced program requirements are very stringent. Each year all of the grantees are new, and only a limited number of institutions qualify. The AIDP colleges are funded on a multiyear basis. They receive one large grant in a particular fiscal year but are actually authorized to spend their funds over a 3- to 5-year period.

There are three considerations which must be given to title III funding for the benefit of minority groups. In the first place, there are in excess of 100 predominantly black colleges enrolling black students. Title III is an institutional support program under which most of the black colleges qualify as developing. There are few institutions identified with other minorities. These are mostly new schools who are gradually qualifying under the waivers for Native Americans and Spanish-surnamed Americans. Otherwise, it is a question of funding special programs for other minorities which are identifiable in the applications of other developing institutions qualifying for a grant and serving large numbers of minorities.

Senator **Brooke**. Last year our committee expressed concern about whether effective use of thse funds is being made or whether they are being fairly distributed among minority groups. Is this really the problem—or is it related to the way minority schools have evolved in this country?

Dr. **Bell**. Considerable improvement has been made in funding minority groups in the last 3 years. I would like to insert supporting information for the record, if I may.

[The information follows:]

TITLE III, STRENGTHENING DEVELOPING INSTITUTIONS, NUMBER OF GRANTS AND AMOUNTS GIVEN TO BLACKS AND OTHER MINORITIES, FUNDS AWARDED—FISCAL YEARS 1971–74

	Number of grants	Amount funded
To predominantly black institutions:		
1971 basic program	89	$19,841,925
1972 basic program	96	30,994,100
1973 basic program	98	30,658,320
1973 advanced program	13	23,380,000
1974 basic program	67	29,620,000
1974 advanced program	18	29,075,000
To support programs for Spanish-speaking:		
1971 basic program	14	1,613,000
1972 basic program	18	2,816,000
1973 basic program	23	3,556,000
1973 advanced program	3	2,220,000
1974 basic program	26	3,812,000
1974 advanced program	3	3,620,000
To support programs for American Indians:		
1971 basic program	8	943,000
1972 basic program	15	1,970,000
1973 basic program	19	3,166,000
1973 advanced program	2	791,375
1974 basic program	28	3,517,000
1974 advanced program	0	

TITLE III, STRENGTHENING DEVELOPING INSTITUTIONS, FISCAL YEAR 1975 FUNDING ESTIMATES FOR MINORITIES

	Amount	Percent
Basic institutional development program:		
Black minorities	$26,365,000	50.7
Spanish speaking	4,922,000	9.1
Native Americans	3,950,000	7.6
Advanced institutional development program:		
Black minorities	[1] 4,600,000	
Spanish speaking	[1] 7,500,000	
Native Americans		

[1] New grants only, not for supplementary grants.

SUBCOMMITTEE RECESS

Senator **Magnuson**. We will recess until 10 o'clock tommorow morning.

[Whereupon, at 3:05 p.m., Wednesday, March 12, the subcommittee was recessed, to reconvene at 10 a.m., Thursday, March 13.]

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

TUESDAY, MARCH 18, 1975

U.S. SENATE,
SUBCOMMITTEE ON DEPARTMENTS OF LABOR AND HEALTH,
EDUCATION, AND WELFARE AND RELATED AGENCIES,
Washington, D.C.

The subcommittee met at 10:05 a.m. in room S–128, the Capitol, Hon. Joseph M. Montoya presiding.

Present: Senator Montoya.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

EMERGENCY SCHOOL AID

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

STATEMENT OF ROBERT R. WHEELER, ACTING DEPUTY COMMISSIONER FOR SCHOOL SYSTEMS

ACCOMPANIED BY:

- **DR. TERREL H. BELL, COMMISSIONER OF EDUCATION**
- **DR. DUANE J. MATHEIS, EXECUTIVE DEPUTY COMMISSIONER**
- **DR. HERMAN R. GOLDBERG, ASSOCIATE COMMISSIONER FOR SCHOOL SYSTEMS, EQUAL EDUCATIONAL OPPORTUNITY PROGRAMS**
- **WILLIAM STORMER, ACTING DIRECTOR, DIVISION OF SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS**
- **DR. JOHN H. RODRIQUEZ, ASSOCIATE COMMISSIONER FOR COMPENSATORY EDUCATIONAL PROGRAMS**
- **THOMAS J. BURNS, ACTING ASSOCIATE COMMISSIONER FOR STATE AND LOCAL EDUCATIONAL PROGRAMS**
- **DR. RUTH L. HOLLOWAY, DIRECTOR, RIGHT TO READ PROGRAM**
- **MRS. GENEVIEVE O. DANE, CHIEF, PROGRAM OPERATIONS BRANCH, DIVISION OF EDUCATION FOR THE DISADVANTAGED**
- **DR. JOHN C. MOLINA, DIRECTOR, DIVISION OF BILINGUAL EDUCATION**
- **DR. GEORGE R. RHODES, JR., ASSISTANT TO THE ASSOCIATE COMMISSIONER FOR SCHOOL SYSTEMS, EQUAL EDUCATIONAL OPPORTUNITY PROGRAMS**
- **WILLIAM DINGELDEIN, DIRECTOR, OFFICE OF DEPUTY COMPTROLLER**
- **MRS. CORA P. BEEBE, ACTING BUDGET OFFICER**

BUDGET REQUESTS

Senator **Montoya**. The subcommittee will be in order.

Today we will be hearing testimony on the elementary and secondary education programs. Specifically, the subcommittee will hear the budget requests for three accounts—Elementary and Secondary Education, $2.2 billion; Impact Area Aid, $56 million; and Emergency School Aid, $102 million.

In an effort to enact early appropriations for education we will try to streamline this hearing process. Mr. Wheeler, the Deputy Commissioner, is here, and will you please introduce your associates and then proceed with your summary statement.

PREPARED STATEMENTS

We will insert the formal statements in the record at this point.

[The statements follow:]

STATEMENT OF MR. WHEELER

Mr. Chairman and members of the committee, we appreciate the opportunity to present the appropriation request of $2,203,388,000 for elementary and secondary education. This request includes $1,900,000,000 to further our equal education opportunity goal and over $120,000,000 in efforts to build the capacity of the States and local education agencies to offer effective educational programs.

Of the total requested $2,072,888,000 is advance funding for fiscal year 1977, the same level as appropriated in fiscal year 1975 for 1976. The balance of the request—$130,500,000 is for fiscal year 1976.

The $2,072,888,000 requested for advance funding for fiscal year 1977 will provide support for grants for the disadvantaged authorized by title I of the Elementary and Secondary Eduaction Act, as amended and for Support and Innovation authorized under title IV—part C of Public Law 93-380.

The request for fiscal year 1976 of $130,500,000 will provide support for four activities—the bilingual education program authorized by title VII of the Elementary and Secondary Education Act, right to read program authorized by title VII of the Education Amendments of 1974, the Follow Through progarm authorized by the Head Start-Follow Through Act and Educational Broadcasting Facilities authorized by part IV, title III of the Communications Act of 1934.

No funds are being requested for Environmental Education in 1976 since the goal of this program was to stimulate non-Federal efforts rather than directly provide services. Now State and local educational agencies should assume a greater share of responsibility for these programs.

DISADVANTAGED GRANTS AND RELATED STUDIES

The 1975 appropriation of $1.9 billion for title I for school year 1975–76, placed this program on an advance funded basis for the first time. The 1976 request of $1.9 billion would fund school year 1976–77.

This level of funding in 1977 will provide compensatory educational services to over 5.6 million children in local school districts, including Bureau of Indian Affairs schools, and over 900,000 children in State agency schools.

Under part A, grants to local educational agencies will continue to be spent for the special educational needs of educationally deprived public and nonpublic school children living in low-income areas, institutionalized and delinquent children supported by LEA's and Indian children in Bureau of Indian Affairs schools. The funds will be concentrated upon schools most heavily impacted with children from low-income families. Support will also be provided through State-administered programs for migrant, neglected and delinquent and handicapped children.

Part B provides special incentive grants to those States whose effort index—a figure developed by dividing expenditures for education by total personal income—is greater than the national effort index. The States make these funds available for innovative projects to those local school districts with above-average effort indexes which have the greatest need for assistance. No State is entitled to more than 15 percent of the total amount available for this part. An amount of $33 million is requested for this purpose.

As authorized by section 151 of Public Law 93-380, 0.5 percent of the funds appropriated for title I, an estimated $9.5 million will be used for evaluation of the program and other studies. An amount of $5 million of these funds as specified under the law will be transferred to the National Institute of Education.

SUPPORT AND INNOVATION

The amount of $172,388,000 is requested on an advance funding basis for fiscal year 1977 for support and innovation programs for school year 1976-77. This is the same amount that was appropriated in 1975 to fund school year 1975-76. This is the first year in which all of the funds will be available for the consolidated purposes of the act. Funds appropriated for this activity will be available for expenditure according to the State's annual program plan in accordance with State priorities. This plan will provide an opportunity whereby a State can shift the emphasis on the programs it operates according to its own needs assessment.

States will continue to support programs to strengthen State departments of education, local projects for supplementary educational services, demonstration projects to improve nutrition and health services, and projects designed to reduce the number of children from low-income families who fail to complete secondary school. The level of support for each of these activities within this program will be determined by the State. As required by Public Law 93-380 15 percent of the funds appropriated will be used for programs for handicapped children. Also, as required, equitable opportunities will be provided for children in private, nonprofit elementary and secondary schools.

BILINGUAL EDUCATION

The $70 million requested in fiscal year 1976 is the same as the revised 1975 request. With these funds we will continue to focus on the capacity-building role of the Federal Government in bilingual education which was initiated in 1975 in response to the 1974 Supreme Court decision on *Lau* v. *Nichols*. That decision affirmed the responsibility of local educational agencies to develop appropriate programs to ensure equal educational opportunity for students of limited or non-English-speaking ability.

Of the total requested, $46.9 million will be used to support approximately 289 classroom demonstration projects, including up to 40 new demonstrations, providing bilingual education instruction in 42 languages including 23 native-American languages. As required by law, an amount of $16 million or nearly 23 percent of the request will be targeted on teacher-training components to increase the number of trained bilingual educational personnel directly involved with teaching children at the local level. In addition, $7 million of the amount requested will be used for materials development, assessment and dissemination activities and $100,000 for support of the Bilingual Education Advisory Council.

Funds appropriated in fiscal year 1976 will forward fund projects to be carried out during school year 1967-77.

RIGHT-TO-READ

For the Right-to-Read program, we are requesting an amount of $12 million in order to help eliminate functional illiteracy by providing facilitative services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading. In fiscal year 1975 the Right-to-Read program is authorized under the Cooperative Research Act. Beginning in fiscal year 1976, the program is authorized by title VII of the Education Amendments of 1974, which provides for a national reading improvement program.

The budget request will provide support for activities to strengthen reading instruction programs and language arts programs for elementary and preschool children; determine the effectiveness of intensive instruction by reading specialists and reading teachers; and furnish reading assistance and instruction to out-of-school youth and adults in community-based reading academies.

FOLLOW THROUGH

Follow Through is an experimental program designed to develop and test effective ways of educating disadvantaged children in the early primary grades (K–3). Twenty-two educational institutions developing different approaches and 169 projects testing these approaches comprise this experiment together with evaluations of those approaches.

A total of $41.5 million is being requested for this program in fiscal year 1976, of which $9,792,000 will support activities in school year 1975–76 and $31,708,000 will forward fund activities in school year 1976–77. This request is $5.5 million less than the revised request of $47 million for fiscal year 1975 and reflects the planned phaseout whereby school year 1976–77 will be the 2d year of the scheduled 3-year program phaseout. Grades 1–3 will receive Federal support for school year 1975–76, and grades 2–3 will receive Federal support for school year 1976–77. In accordance with phaseout, reductions will be made in most program components with the exception of costs for evaluation in the next-to-last year of program operation. Support for that part of the program will be increased in order to complete the national longitudinal evaluation and to conduct a cost study and 4th grade followup evaluation to assess effectiveness of the various models.

EDUCATIONAL BROADCASTING FACILITIES

The educational broadcasting facilities activity is designed to improve and extend the delivery of educational programs through the use of technology-based systems.

An amount of $7 million is requested for this activity in fiscal year 1976 the same amount as the 1975 revised request. New legislation is proposed to extend the program for 5 years.

The funds requested will assist in the improvement and expansion of 10 educational television stations and 7 radio stations. Support will also be given to help activate 3 new educational television noncommercial stations and 6 new noncommercial radio stations. This will provide educational television coverage to about 81 percent of the population and educational radio coverage to nearly 68 percent.

My associates and I will be happy to answer any questions you may have.

STATEMENT OF DR. GOLDBERG

Mr. Chairman and members of the committee, we are pleased to appear before your committee today to testify on the emergency school aid account. This account consists of the Emergency School Aid Act and title IV of the Civil Rights Act of 1964.

The appropriation request for the Emergency School Aid Act totals $75 million for fiscal year 1976. As this is a forward funded program, we are speaking of projects that will start July 1, 1976, with the exception of those projects in districts under emergency court order for which fiscal year 1976 grants will be made during 1975-76. This request is at the same level of Federal desegregation assistance included in the supplemental request for fiscal year 1975, and is based on the decreased level of desegregation activity being initiated across the Nation. This decreased level is seen in marked contrast to the level of previous years, which directly resulted from the numerous court desegregation orders of the late 1960's and early 1970's.

It is very difficult to make detailed estimates of the number of districts and students that will be affected by desegregation orders in the future. This is particularly true when voluntary desegregation activity has to be determined along with that which might be required by State and Federal courts and agencies. However, the present level of desegregation activity is expected to remain at a fairly low level relative to the late 1960's and early 1970's.

In view of this current pattern of desegregation activity, and in light of the fact that it is difficult to predict where major desegregation activity will occur, it is proposed that in 1976 the approach to desegregation assistance be the same as that proposed for 1975. This approach will concentrate program funds directly on those districts and supporting nonprofit organizations with the greatest desegregation needs to insure that these districts will receive the assistance they require.

To accomplish this, the $75 million would be targeted directly to the areas of greatest desegregation need through a project grant approach. With the $75 million requested, it is expected that a total of 242 awards will be made for basic and pilot program grants to local educational agencies, for public and private nonprofit organization grants, and for special programs and projects and evaluation grants and contracts.

For title IV of the Civil Rights Act of 1964, a total of $26,700,00 is requested in 1976. Capacity building at the State and local levels will be strongly emphasized by these programs in 1976, to insure adequate response to education problems occasioned by (1) desegregation; (2) unequal access to education of those national origin minority children who are not fluent in the English language; and (3) sex discrimination. Of the total appropriation request of $26,700,000, $5 million will be used for the support of training and advisory services for bilingual education at nine bilingual general assistance centers and through State education agency grants in about 14 States. Ten training institutes will be funded to provide training services for school personnel in dealing with problems of sex discrimination. A total of 221 training and technical assistance grant and contract awards are expected to be made, of which about 88 are expected to be new awards.

The entire Emergency School Aid appropriation, therefore, is expected to support a total of 463 emergency school aid, training, and advisory services grant and contract awards in 1976 for a total of $101,700,000. Together, these programs will serve approximately 13,085,000 students and train about 427,400 school personnel.

STATEMENT OF MR. WHEELER

Mr. Chairman and members of the committee, I welcome this opportunity to appear before you on the School Assistance in Federally Affected Areas appropriation. This appropriation includes Public Law 874, maintenance and operations, and Public Law 815, construction. At this time, we are requesting $56 million to be appropriated in 1976. We are also requesting $5 million for the interim period July 1 through September 30, 1976. A supplemental request of $210 million will be transmitted at a later date, pending the enactment of proposed legislation.

MAINTENANCE AND OPERATIONS

The amount of $46 million is requested for maintenance and operations. This amount will be sufficient to fund entitlements under section 6. Entitlements under section 6 provide the full cost of educating children who reside on Federal property in States where, due to State law or for other reasons, local school districts are unable to provide suitable free public education for such children. Federal support for schools operated under section 6 cannot be terminated until the Commissioner of Education and the Secretary of the Federal department concerned jointly determine, after consulting with the appropriate State education agency, that a local agency is able to provide suitable free public education for the children attending such schools. There are section 6 schools in operation in Quantico, Myrtle Beach Air Force Base, Fort Benning, and at West Point, to name a few. In all, such projects number 27, are located in 12 States and Puerto Rico, and educate approximately 42,000 elementary and secondary schoolchildren.

The amount of $5,000,000 is requested for section 6 for the interim period. These funds will provide support for 2 months of summer school, July and August of the 1975–76 school year, and for the opening of school in September, the first month of the 1976–77 school year.

We are not at this time requesting funds for the other sections of the program which were substantially altered by the Education Amendments of 1974. In addition to many changed authorization levels, Public Law 93–380 establishes a complex three-tier funding formula and even more complex hold-harmless provisions that would cause any reductions in payments to individual school districts to take place gradually over a period of years.

We believe current impact aid payments result in unjustified payments to many local school districts, and thus constitute an inequitable use of Federal funds. Facing this kind of inequity in a program which has continued to grow in appropriations, the administration proposes to simplify impact aid and focus its benefits on only districts which can truly be said to suffer a Federal impact. Entitlements under our proposal will be computed at the same levels that appropriations in recent years have provided. Payments will require the absorption of not more than 5 percent of the school districts' previous year's current operating budget. Of the estimated 3,500 school districts which will not receive payments under this proposal, approximately 2,400 will lose less than 2 percent of their total operating budget.

ASSISTANCE FOR CONSTRUCTION (PUBLIC LAW 815)

Ten million dollars is requested to provide financial assistance to local school districts for the construction of school facilities in areas where enrollments are increased by Federal activities, a decrease of $10 million over the 1975 level.

Approximately $4,275,000 will be used for section 5 which will relieve impact caused by military installations in overcrowding the school facilities of local educational agencies. Approximately $4,725,000 will be used for section 14 which aids school construction for children residing on Indian lands.

An estimated 15 projects funded under these two sections will provide new school facilities for approximately 3,500 pupils in 130 classrooms and related facilities.

In addition, $1 million is requested under section 10 for emergency repairs at some 156 existing federally owned school facilities located on approximately 68 military installations, in order to protect the capital investment the Federal Government already has in these school facilities.

Thank you, Mr. Chairman. My associates and I will be happy to answer any questions you may have.

INTRODUCTION OF ASSOCIATES

Mr. **Wheeler**. Thank you, Mr. Chairman. On the far right is John Molina, who is director of the bilingual education division. On his left is William Stormer, who is the director for school assistance in federally affected areas. Next to him is Mr. Tom Burns, who is associate commissioner for State and local educational programs. Next to him is Dr. John Rodriguez, who is associate commissioner for compensatory educational programs. You know the commissioner of education, Dr. Terrell Bell, and on my left is Dr. Herman Goldberg, who is the associate commissioner for equal educational opportunity programs. And next to him is Dr. Ruth L. Holloway, who is the director of the right to read program. And then sitting on her left is William Dingeldein, from the officer of comptroller.

Shall I proceed with the statement?

Senator **Montoya**. Yes.

OPENING STATEMENT

Mr. **Wheeler**. We appreciate the opportunity to present the final fiscal year 1976 appropriation requests of $2,203,388,000 for elementary and secondary education, $101,700,000 for emergency school aid, and $56 million for school assistance in federally affected areas. These requests cover our principal sources of funds for elementary and secondary education.

The overriding objective of our elementary and secondary account request is to promote equal educational opportunity for the Nation's disadvantaged children. A second objective is to provide flexible funds to the States to enable them to respond to their most pressing educational problems.

For these purposes we are requesting $1,900 million for title I, ESEA, to promote compensatory educational services for over 5.6 million educationally deprived children in local school districts and nonpublic schools including the Bureau of Indian Affairs schools. An additional 900,000 students in State agency schools will be served. To permit the States to establish individual priorities in accordance with their particular needs in the areas of strengthening State departments of education, supplementary services, and projects in the areas of nutrition and health and dropout prevention, we are requesting $172,888,000 for support and innovation grants for fiscal year 1977. Both of these programs are advance funded, therefore, $2,072,888,000 is requested for fiscal year 1977 for use in school year 1976-77.

The remaining $130,500,000 in the elementary and secondary education account will support four separate programs, three of which are concerned with improving equal educational opportunity for students. The first is bilingual education for which we are asking $70 million in order to provide continued Federal support for the demonstration of improved bilingual programs, teacher training, and materials development—activities which are designed to assist the States and local education agencies in serving children whose native language is other than English. This is what we refer to as the capacity building strategy.

RIGHT TO READ PROGRAM

Second, we are requesting $12 million for the right to read program; which is designed to provide facilitating aid and services aimed at eliminating functional illiteracy among Americans through the support of exemplary reading programs for pre- and elementary school students, by providing instruction to adults and out-of-school students, and through studying the results of intensive reading instruction programs. Again, the basic strategy is to encourage the States, local educational agencies, and the private sector to improve and increase their efforts to eliminate illiteracy. The third request is for $41,500,000 for the follow through program, which reflects our planned phaseout of this experimental program. In fiscal year 1976 the request will cover grades 1 to 3 in school year 1975–76, grades 2 to 3 in school year 1976–77, and increased support for evaluation efforts.

The fourth request is $7 million for educational broadcasting which will ensure that nearly 81 percent of our population will recieve educational television coverage and that approximately 61 percent will have direct access to educational radio.

EMERGENCY SCHOOL AID

The next account under consideration is emergency school aid, which includes the Emergency School Aid Act, for which we are requesting $75 million, and title IV of the Civil Rights Act of 1964, for which we are asking $26,700,000. Our request for the Emergency School Aid Act reflects our estimate of a decerasing level of desegregation activity expected to be initiated throughout the Nation during 1975 and 1976, as compared to the late 1960's and early 1970's

Now Mr. Chairman, I might point out that this request reflects our priorities for school districts which will need assistance during fiscal year 1976. Our priorities are for court-ordered and voluntary desegregation. These are the districts we would like to turn to first for assistance, ones undergoing new desegregation for 1975–76. The second priority would be those school districts which have been involved in desegreation activities in school year 1973–74 and in school year 1974–75.

And lastly, our priorities will cause us to turn with any funds that might be left over, to assist school districts which were involved in desegregation prior to 1973–74.

Senator **Montoya**. How many schools will be involved in this funding?

Mr. **Wheeler**. Well, we can only estimate this, Mr. Chairman. The lists that we have at the present time are tentative. These are the school districts that would be expected to be involved in some kind of court action, and we, of course——

Senator **Montoya**. Are you speaking of school districts which will be involved in court action in the future, or are you speaking of school districts which have already set their eligibility under title IV of the Civil Rights Act of 1964?

Mr. **Wheeler**. We are speaking of both categories. Some of the school districts are already involved in some kind of court litigation, and those who would expect to come to a point during the next fiscal year where we may very well have to respond with some assistance to those school districts.

ESA EXPENDITURES IN FISCAL YEAR 1975

Senator Montoya. All right, how much did you spend or are you spending during the course of this year under this title for the same purpose?

Mr. Wheeler. The authorization, Mr. Chairman, is for $236 million. We have responded to emergency situations and are holding about a million dollars in reserve and have spent about $2,350,000 so far this year.

Senator Montoya. And you want to go from $3 million or $4 million with a reserve to $26,700,000?

Mr. Goldberg. I wonder if I could clarify that.

Senator Montoya. I do not understand you.

Mr. Goldberg. If I might clarify it, Mr. Chairman, the $26.7 million is requested for title IV of the Civil Rights Act.

Senator Montoya. I know.

Mr. Goldberg. The $3.5 million that Deputy Commissioner Wheeler talked about is a portion of the Emergency School Aid Act, which has a continuing resolution authorization of $236 million. We have not yet spent the full $236 million because this is a forward funded program.

This current school year, which still has a few months to go, has available to the school districts of the Nation the sum of $236 million appropriated in fiscal year 1974. That is out there. It is being utilized now.

Senator Montoya. That is an authorization?

Dr. Goldberg. No; that is an appropriation.

Senator Montoya. An appropriation? OK.

Dr. Goldberg. Yes, sir. The $236 million is out there. It is being spent this year. For this next school year out of the $75 million that we have requested for fiscal year 1975, we have been authorized to spend $3 million for late court orders. That is ESAA authorized funds, not title IV of the Civil Rights Act. That would include Boston and a few other cities that receive court orders after our normal funding cycle.

So that $3 million comes out of whatever amount the committee and Congress eventually will appropriate for ESAA.

Mr. Wheeler. All right, Mr. Chairman, now to continue.

ESAA SPECIAL PROJECTS

Senator Montoya. Just a moment. At this point in the record let me just say that for special projects you had a total for this fiscal year of $74,250,000.

Dr. Goldberg. No, sir. The budget request for fiscal year 1975 and the budget request for fiscal year 1976 in the President's budget is $75 million for each of the 2 years.

Senator Montoya. $74,250,000?

Dr. Goldberg. No, sir. The budget request for fiscal year 1975 and the budget request for fiscal year 1976 in the President's budget is $75 million for each of the 2 years.

Senator Montoya. Well, $74,250,000 is shown in your budget.

Mrs. Beebe. That is the amount for the special projects. The difference between that and the $75 million was the amount reserved for evaluation. But these funds have not been appropriated.

Senator **MONTOYA**. All right. Mr. Dirks informs me that under the continuing resolution you are authorized to spend $236 million.

Mr. **WHEELER**. That is right.

Senator **MONTOYA**. And that pending in the supplemental you have a request for $74,250,000.

Dr. **GOLDBERG**. Yes, sir.

Senator **MONTOYA**. Okay.

Mr. **WHEELER**. It is $75 million, Mr. Chairman, instead of $74,250,000. The $75 million includes $74,250,000 for special projects and the $750,000 for evaluation that Mrs. Beebe was just talking about. So all requests in the supplemental are $75 million.

Senator **MONTOYA**. That is reflected here in the statement.

Mr. **WHEELER**. That is correct.

STATEMENT CONTINUED

In view of this current pattern of desegregation activity and the difficulty in predicting where it will occur, we are proposing that the fiscal year 1976 desegregation assistance be provided through a project grant approach, directly to those local educational agencies and supportive nonprofit organizations with the greatest desegregation needs. Approximately 242 awards will be made.

For title IV of the Civil Rights Act of 1964, we are requesting $26,700,000. This will support technical assistance and training services aimed at strengthening capacities at the State and local levels to effectively solve educational problems resulting from desegregation, unequal educational opportunity of minority group children who lack fluency in the English language, and sex discrimination. Of the total request for title IV, $5 million will support training and advisory services for bilingual education.

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

Finally, we are presenting our request for school assistance in federally affected areas, which includes Public Law 81-874, maintenance and operations, and Public Law 81-815, construction. At this juncture we are requesting $56 million for this program. We anticipate a supplemental request of $210 million for payments to "A" children and "B" category children.

Of the total request, $46 million will provide full entitlement under section 6 which will support 27 projects in 12 States and Puerto Rico, benefiting 42,000 elementary and secondary schoolchildren. The remaining $10 million of this request is for construction, of which $9 million will fund 15 projects providing assistance to local educational agencies impacted by military installations under section 5 and assistance to children residing on Indian lands under section 14; $1 million will be used under section 10 for emergency repairs at 156 existing federally-owned schools.

ASSISTANCE TO CHILDREN ON INDIAN LANDS

Senator **MONTOYA**. How much will you have for assistance to children residing on Indian lands under section 14?

Mr. **STORMER**. $4.725 million.

Senator **Montoya**. What kind of assistance will you give these children?

Mr. **Wheeler**. This money under the impact aid arrangement is paid to the school districts according to a certain kind of formula. It then goes into the general operating budget. They use this money then to help in the educational needs of the children.

Senator **Montoya**. What are you doing to make sure that the educational districts are complying with the criteria and the requirements? What kind of audit do they perform on schools?

Mr. **Wheeler**. First of all, they have to submit an application and that is checked, and following that we have regular program reviews of what is happening to the money to make sure that they are following the mandates of the law.

Senator **Montoya**. Have you found most districts complying?

Mr. **Wheeler**. Yes, most districts are complying.

Senator **Montoya**. Have you found any violations or noncompliance?

Mr. **Stormer**. Not at the present time, sir.

PROPOSED LEGISLATION

Mr. **Wheeler**. Our request for impact aid for "A" and "B" children, which is dependent upon new legislation, is aimed at focusing its benefits on those school districts where the cost of educating such children is a substantial part of the total operating cost. Of the estimated 3,500 school districts which will not receive payments under our proposal, approximately 2,400 will lose less than 2 percent of their total operating budget.

Mr. Chairman, my associates and I will be pleased to answer any questions you may have.

EMERGENCY SCHOOL AID ACT

Senator **Montoya**. What are you doing in the Southwest, say in Texas, Arizona, and parts of California and Colorado and New Mexico, in trying to bring about desegregation in the schools with respect to black children and also to Spanish-surnamed children?

Dr. **Goldberg**. Mr. Chairman, I would be glad to try to answer those questions.

The districts in the States you mentioned have opportunity along with all other districts in the Nation to apply for funds under the Emergency School Aid Act. Many New Mexico, Arizona, and Texas districts have applied and have received their full measure of funds out of this act according to the State apportionment table. In a few situations districts are reluctant to move forward without court orders. Fairly recently I paid visits to the superintendents of Phoenix, Tucson, Tempe, Albuquerque, and in their State departments of education. The larger districts seem to be waiting for court orders.

Senator **Montoya**. Do they have to wait for court orders?

Dr. **Goldberg**. No, they do not. They may move ahead on a voluntary basis. They know in some situations that there are problems that need attention. They are free, on resolution of the board of education and direction to the superintendent and administrators of those districts, to move forward.

Working with the community, obviously, is an important link.

Senator **Montoya**. What are you people doing to try to get these school districts in line?

Dr. **Goldberg**. These are title IV general assistance centers located at Arizona State, at the University of New Mexico, at Albuquerque, where John Avagon and others encourage districts, offer technical assistance, and hold workshops for students. I have personally gone to talk with the superintendents about it. Some are not yet moving ahead where the court orders have not come down—in Tucson, Tempe, Phoenix, and a number of places in that area.

Mr. **Wheeler**. Mr. Chairman, it should be understood that the main enforcement activity is the responsibility of the Office for Civil Rights.

OFFICE OF EDUCATION RESPONSIBILITY

Senator **Montoya**. We have made studies on some of these areas, and they have come up with some findings. Now, who is going to follow through on this? How much responsibility do you have in following through after the Civil Rights Commission has evaluated compliance or noncompliance in some of these districts?

Dr. **Goldberg**. The Office of Education has no enforcement responsibilities. They fall in the Office for Civil Rights. We work closely with them. We are in the same family, in the same department. We will offer technical assistance; we will try to assist districts prepare to desegregate. But the Board action is required before an application for funds is filed.

EXPENDITURE REVIEW—TITLE I, ESEA

Senator **Montoya**. Let me ask you this question. How do you oversee and monitor the expenditure of funds under title I?

Dr. **Goldberg**. Our office is responsible for title IV of the Civil Rights Act and ESAA, not for title I. Mr. Wheeler can handle that.

Mr. **Wheeler**. Mr. Chairman, we conduct regular program reviews. These reviews will deal with administrative problems, and other kinds of compliance concerns which are part of the assurances which are given to us by the States and consequently, a part of the requirements that a local school district must face. Now, beyond that——

Senator **Montoya**. If you will permit me to interrupt you there, do you not find that the State educational agencies sometimes are in league with those who are trying to fluff off or postpone compliance with requirements of title I?

Mr. **Wheeler**. Mr. Chairman, I would hate to make the direct allegation that there has been some collusion between the State departments of education and the local school districts to break the law.

There have been some shortcomings on the part of some State educational agencies and the local school districts with respect to the requirements which ought to be met. We follow up on those by cooperating with the audit agency. That agency conducts regular audits according to its schedule, which they build themselves, and they also will respond to direct requests from us where we suspect there may be a problem situation.

Senator **Montoya**. Well, will you at the next year's hearings give us a report on the different agencies of the State which are really holding back an exacting performance with the standards and requirements under title I?

Mr. **Wheeler**. I think we could do that.

Senator **Montoya**. Because I think there, in many cases, they are the culprits in this, and they encourage the local school districts to keep on doing what they have been doing for some time.

Mr. **Wheeler**. We understand your concern about that, Mr. Chairman. I think we can furnish that information for you.

Senator **Montoya**. And I am speaking not only of black children. I am speaking of Indian children. I am speaking of Spanish-surnamed children, and I do not know too much about the Chinese situation in San Francisco, but you might include that, too.

Mr. **Wheeler**. All right.

GRANTS TO DISADVANTAGED

Senator **Montoya**. Now, you are asking for the same amount for title I, disadvantaged grants, $1.9 billion, as you requested last year.

Taking inflation into account, that amounts for $200 million cut in the program. How are the local school districts expected to continue the same services to disadvantaged children?

Mr. **Wheeler**. First of all, you know that this budget request is made under a situation of very stringent considerations of the economy. It has not been our practice during these last few years to include any consideration for inflation in our budget requests. We understand that this is a problem in education, as it is anywhere else. But we feel that it is part of our responsibility at least to recognize what the economy is during difficult times.

Dr. **Bell**. If I could just add to that, Mr. Wheeler. I think that we should readily recognize that the employees of title I are employed under the salary scale of the school districts, and every year they negotiate a new salary scale, and the salaries go up, and there just cannot be any question. We should not do anything but really concede that this cuts down the amount of service that we can get, and there is just no question about it.

Senator **Montoya**. I think you will agree with me that in most school districts that salary raises that schoolteachers are getting are not adequate enough to ride the inflation train.

Dr. **Bell**. That is correct.

Senator **Montoya**. So actually this is cutting pretty deep.

I know it is not your fault. I know you have to go see that man down at the OMB known as Mr. Austerity, and he just tells you, why, we cannot give you enough, and we will not give you any more. So he cuts you down, whittles you down, even to an amount as low as he did in this case.

This was not an in-house recommendation, was it?

Dr. **Bell**. Well, the people at OMB—I guess it is trite to say, but true, they have the tough job of putting all the budgets together, and I think that we can admit that we are biased for education. So, inside of the Government, we argue for as much education money as we can get.

Senator **Montoya**. Well, I go along with the OMB on certain of their recommendations. For instance, I am willing to go further than they did on foreign aid. I am willing to go all the way and knock it all out, and a few other things like that.

Now, last December, Congress passed the budget for title I grants How long did it take you to allocate the money to the States?

Mrs. **Dane**. The grant awards were mailed on March the 6th, about 3 months after the appropriation bill was enacted.

Senator **Montoya**. Why did this take so long?

Mr. **Wheeler**. Mr. Chairman, we are required to collect a very sizable amount of information before we can make those allocations according to the formula.

Senator **Montoya**. Well, had you not collected them during the course of the fiscal year?

Mr. **Wheeler**. Well, we have to make those requests from the State, and we cannot make the allocations until we get all of the information we need from all of the States. Now, sometimes the States respond readily, and sometimes they do not.

There were some other difficulties that I rember last year, which you might want to talk about, Mrs. Dane?

Mrs. **Dane**. Yes; the Education Amendments of 1974 brought in two new groups of children to be counted under the State agency program for migrant children and also a new group in the State agency program for handicapped children.

It was necessary, then, to conduct an additional survey to get the count of those children——

Senator **Montoya**. Is that the only reason why there was a delay?

Mrs. **Dane**. Yes, sir.

GRANTS TO LOCAL DISTRICTS DECLINING

Senator **Montoya**. Now, why are grants to the State agencies going out while title I grants to the local districts are going down by $69 million?

Mr. **Wheeler**. Title I grants to local school districts are decreasing by $69 million, Mr. Chairman. The State agency programs are required by the statute to be funded at their maximum authorization. Updating the count of children and the payment rate results in higher maximum authorization. The migrant program will increase by about $50 million, the research and development program by about $1 million and the handicapped program by about $10 million.

In addition, part B, special incentive grants will be increased by about $16 million. That is an increase from $16 million to $33 million, as I remember.

Senator **Montoya**. That is for advanced funding and also $2,538,000 from—in 1976 over 1975, right?

Mr. **Wheeler**. An increase of about——

Senator **Montoya**. $2,538,000.

Mr. **Wheeler**. Which program are you referring to?

Senator **Montoya**. On the special incentive grants.

Mr. **Wheeler**. Yes, that is right.

Senator **Montoya**. And then for advanced funding for 1977, to increase this amount, you double it, actually, to $33 million?

Mr. **Wheeler**. Yes.

But that is because of the formula Mr. Chairman. The amount for 1976 was not determined by formula, but was established in the appropriation act.

Senator **Montoya**. How do you arrive at the payment rate?

Mr. **Wheeler**. That is a complicated kind of question to ask. Do you want us to——

Senator **Montoya**. Will you submit it in writing and just generalize on it now?

Mr. **Wheeler**. Mrs. Dane, do you want to generalize that now?

Mrs. **Dane**. The payment rate in the formula is set by the statute. It is 40 percent of the State per pupil expenditure, or not less than 80 percent of the national average, nor more than 120 percent of the national average.

Senator **Montoya**. And that is all the formula?

Mrs. **Dane**. Well, that amount of money is multiplied by the number of children counted by the formula.

Senator **Montoya**. Yes; I am talking about on a per child basis.

Mrs. **Dane**. Yes; that is right.

EVALUATIONS AND STUDIES

Senator **Montoya**. You are asking for $9.5 million for evaluations and studies. Why should the contractors be getting this instead of the children? In other words, exactly what have these evaluations produced to make the program better?

Mr. **Wheeler**. Mr. Chairman, the first part of the answer, is that we have been admonished by both this committee and, I think, by the Congress in general to step up our evaluation activities with respect to programs we operate and particularly that is true with the programs for the disadvantaged.

We have been criticized, as a matter of fact, for not having enough evaluation activities. Then, in addition to that, there is prescribed in the new law very definite evaluation activities which we are required to carry out in response to the law. And that is why we have this figure for evaluation.

Senator **Montoya**. And you are hiring contractors to do this?

Mr. **Wheeler**. The kinds of studies which are called for are fairly large activities, and some of this will go to the National Institute of Education, and some of it will be contracted for.

Dr. **Bell**. The law, Senator, requires us to transfer a sum of money, I believe it is $5 million, to NIE to evaluate compensatory education including title I programs.

Senator **Montoya**. And they in turn let out contracts?

Dr. **Bell**. I believe that they will do this by contract, Senator, with one of the nonprofit agencies that are in the evaluation business.

Senator **Montoya**. Is that more economical than doing it in-house?

Dr. **Bell**. I would think that it would be, but I think one of the experts on evaluation would need to respond to that, but I am not sure——

Senator **Montoya**. Well, I wish they would. And also tell me whether you have the expertise under these contracts that is better or equal to what you have in-house.

Mr. **Wheeler**. Mr. Chairman, our policy is to do everything that we can in-house within the limits of the kinds of manpower that we have and with respect to the kinds of responsibilities which have to be carried out.

I am convinced that it is more economical for us to contract some of the studies, depending upon the work that has to be done on the design, how the data has to be collected and analyzed and reported on. There are a number of studies which would call for a sizable number of people to spend full time for maybe a period of a year, or maybe beyond that, the kind of manpower which we just would not have to devote to that in light of the other kinds of responsibilities.

As you know, we have received pretty strict directions from both committees and the Congress to prepare regulations on time, and we are doing that. At the same time, we have been given rather strict time lines which arise out of the law itself for completing certain kinds of evaluative studies.

And while we have considerable expertise in the Office of Education, the other consideration we would look at with respect to contracting out this work would be as to whether or not we have in sufficient numbers the kind of expertise that would be needed on hand in the Office of Education.

Senator **Montoya**. How much did you have for this evaluation and for this current fiscal year?

Mr. **Wheeler**. We had $9,850,000 for mandated evaluations and studies of title I. Of this, $5 million is for compensating education evaluation by NIE and $1.4 million for independent evaluation of title I and $1.25 million for a study of educationally and economically disadvantaged children participating in title I programs.

Senator **Montoya**. And for studies, $3,450,000?

Mr. **Wheeler**. That is right. This includes $200,000 for a study of the poverty measure and $2 million for a study to update the count of title I children.

Senator **Montoya**. And you have at this time $2,698,000 which is undistributed?

Mrs. **Beebe**. Yes, sir. This is because of the difficulty of working with the formula to get it down to the absolute penny.

Senator **Montoya**. Will you have this kind of reserve next year——

Mrs. **Beebe**. It is possible, we hope.

Senator **Montoya**. In view of the difficulty in complying with the formula—will you have this kind of reserve?

Mrs. **Beebe**. We do not anticipate it, but it is possible.

Senator **Montoya**. Yes.

Dr. **Bell**. We have proposed, Senator, a technical amendment in the formula that will make it easier for us to meet the "hold harmless provision," where we have got to get down to the county and then to the school district level. In some school districts we have experienced, particularly in Pennsylvania, some school districts may lap over into four or five counties in some areas where the lines come together. So this has created quite a complex problem that actually came up out of the new law that we did not experience before.

Senator **Montoya**. What kind of amendment do you want?

Dr. **Bell**. Mrs. Dane, could you respond to that; or Mr. Wheeler?

Senator **Montoya**. Are you requesting it in the appropriations bill?

Dr. **Bell**. No; we had sent up some recommended technical amendments to the law that are not major items but——

Senator **Montoya**. Well, then I would not be concerned at this hearing with that.

Dr. **Bell**. Yes, sir.

Senator **Montoya**. Will you tell me, what these evaluations have produced to make the programs better?

Mr. **Wheeler**. Mr. Chairman, the evaluative effort that we had is now beginning to show some encouraging signs of the kind of programs which produce achievement advances in children. Our evaluations are not yet entirely complete, but it is safe to say that there are enough programs in practically all of the States which are showing promise for the educational advancement of disadvantaged children. So the signs are much more encouraging now than they were 5 years ago, certainly more encouraging than they were 10 years ago.

So what we are able to do, then, is look at those programs which do seem to be productive and, at the same time, we are in the process of organizing a unit in the Office of Education which will have full responsibility for disseminating information about productive educational programs, and you will see also in some later testimony here——

Senator **Montoya**. You have not done that before?

Mr. **Wheeler**. Yes, we have. We have not done it to the extent that we are presently engaged in it, because we have not had the resources.

Senator **Montoya**. Well, give me some examples of evaluations that have come in and what you have done pursuant to such evaluations. You may insert them in the record if you want to.

Mr. **Wheeler**. I will be glad to do that.

Senator **Montoya**. I want to know what you are doing by way of evaluation and what you are doing pursuant to evaluation and how you are doing it.

Mr. **Wheeler**. We will be glad to furnish that for the record, Mr. Chairman.

[The information follows:]

Since fiscal year 1970 which was the first year that any significant funds were provided for evaluation, we have been conducting national impact evaluations of Federally administered education programs. Our aim has been to assess how well the programs have been meeting the purposes for which they were established. In doing so we are trying to learn what works, what doesn't work and why; we are trying to learn whether our programs are meeting their legislative objectives; we are trying to provide Congress with information annually on program effectiveness; we are trying to use the results to make intelligent decisions on resource allocation, program management and legislative proposals; and we are trying to do this in an objective, methodologically sound and scientifically acceptable manner.

Studies are selected for conduct based on a variety of criteria including: legislative mandates, need for information on programs requiring renewal of legislation authorizations, studies of programs and issues which are of special current interest and policy concern to either the Congress, the OMB, the Department, OE or the educational community, studies of major programs (high dollar value and/or impact on large target population), and studies which concern the Commissioner's objectives or priorities. Once the studies have been selected and approved through a rigorous review procedure, an RFP is prepared by a staff evaluation specialist indicating the design and scope of the study and providing specifications for its conduct. Contractors are invited to bid and the best one is awarded the contract based on competitive procurement procedures. In general, contractors are used to conduct the study versus in-house staff because most studies involve extensive field data collection and analysis over lengthy periods of time, and there is not sufficient in-house staff for such efforts. In-house staff, however, do design the studies, monitor the contractor's efforts and interpret and utilize the studies' results.

Since 1970 more than 100 studies have been initiated covering all OE programs areas. The results of completed studies are now beginning to become available. Summaries of the results of approximately 30 of the most significant studies have been distributed to the Congress and the educational community. Copies of all completed studies have been placed in the ERIC system for availability to the general public. In addition, the results of all the completed studies have provided significant input to the Annual Evaluation Report to Congress on the effectiveness of OE administered Federal education programs.

There are now and always will be many inputs to the decision-making process, but study results are beginning to play an important role in legislative, resource allocation and program management decisions. With respect to Title I studies the following examples are illustrative:

> A study of the allocation formula provided considerable input to Congressional Committees during deliberations on Public Law 93-380.
>
> A study by the American Institute for Research on Five Years of Title I became the basis for dissemination of brochures by the Title I Office on exemplary programs, as well as 5 packages of exemplary reading programs disseminated by the Right-to-Read Office.
>
> A study of the Title I Migrant Education Program provided impetus to the conversion to data in the Migrant Student Record Transfer System as the basis for fund allocation.
>
> A study of exemplary projects led to the identification of effective projects in compensatory education and to the development of the Project Information Packages (PIP) Program which provides complete "how to do it" kits for replication of the projects by school personnel elsewhere.
>
> The accumulation of Title I studies have injected considerable realism into the thinking about compensatory education and have led to the decision to concentrate efforts on basic skills.

This is a brief description of what we are doing in evaluation and how we are doing it and some examples of the uses of evaluation results.

EVALUATIONS ENCOURAGING

Dr. **Bell.** Based on what we have learned from these evaluations, Senator Montoya, we have been quite encouraged with the progress of some school districts that we have learned from these evaluations in bringing up disadvantaged children and reading and mathematics up at what I think is quite a phenomenal rate of achievement, and we have identified a number of outstanding programs in this regard. One of the proposals we have in this budget with regard to training personnel development is a proposal for $3 million where we want to teach in intensive workshops and seminar sessions other principals of title I schools the successful practices that our evaluations have found in just a few of the most highly successful schools.

We finally think, after 10 years of experience with title I, that we are learning much more about how to teach reading and arithmetic, for example, to disadvantaged children.

TEACHING READING

Senator **Montoya.** As a matter of fact, we do not have enough teachers to teach remedial reading.

Dr. **Bell.** We really do have a shortage in that regard, but we do have——

Senator **Montoya.** Is that not one of the great faults of our educational system, that we do not have the capability to teach reading?

Dr. **Bell**. And the great expertise that is available—we found certain materials through evaluation that have been particularly successful for disadvantaged children, and we have in our budget proposal on packaging—again, it is another small budget amount, but we think these things will yield dividends in spending the $1.9 billion more effectively.

And I feel, as the new Commissioner, that we need to give a very high priority to bilingual education, to education of Indian children, and to look at those areas where children are not making it through the system with a high degree of success. I think that if we will be more aggressive in this regard and be stronger advocates, that we would get more out of our money, and hopefully, eliminate future expenditures for welfare for many children.

Senator **Montoya**. Is it your feeling that the States are doing enough by way of teaching children how to read properly?

Dr. **Bell**. I do not think that they are as aggressive as they ought to be in advocating and pressing hard to get the new practices installed. And by new, I mean those that have really stood out and have shown success. And you referred to your concern about State departments of education in title I, and I share that. I was a State superintendent for 7 years in the State of Utah. I come to this job from having been a superintendent of schools for 3 years in a large school system of well over 60,000 students, and I know that you have to get right on to the local school level and insist that certain practices change. And if you do not do that, it is human nature for the school bureaucracy to continue what they have done the year before.

Senator **Montoya**. The conventional approach?

Dr. **Bell**. Yes, sir.

And I think we have to be more aggressive in that regard.

STATE RESPONSIBILITIES TO READING

Senator **Montoya**. What is HEW doing to spur the State agencies as well as the local agencies into assuming a greater responsibility with respect to teaching of better reading methods?

Dr. **Bell**. One of the things that we have been trying to do is to meet on a face to face basis with State department of education personnel. Since they have much of the prime responsibility, most of this budget flows to them on a formula basis, and then they administer it.

For example, I was in Santa Fe meeting with the State board and the State department in your home State, and I have also done likewise with other States. We have also initiated a program of having certain States come to Washington to exchange ideas with us. This week we are observing Minnesota Education Week in our Agency. Through a series of discussion sessions State title I people will review with our title I people the approaches they are advocating and we in turn will offer guidance and advise.

Now, one of the things that we have carefully built into the law that makes it a little bit difficult, but I would not subscribe a change to Federal control, is the fact that we have recognized that education is a State responsibility, and we are prohibited by law from dictating and forcibly directing the States. But I do not think we ought to use that, nor do I believe that we will use it as an excuse for us not to be stronger advocates within the limits of persuasion and within the limits of pointing out, and using all of the powers that we have to get some changes and some reform in this regard.

There are just enough school districts across the country that are doing an outstanding job that we know that it can be done, despite what many have said about not being able to teach the disadvantaged any better than we are. We are learning this is not so.

So we think we have a heavy responsibility there. Out of our total budget we spend the great bulk of course, on the disadvantaged, and I think we have got to be ——

Senator MONTOYA. I am not aware of any aggressive reading programs that they have for the school children of any school district.

Mr. WHEELER. Mr. Chairman, it might be helpful in answer to your question, to say that the language in our regulations strongly encourages but stops short of, as the Commissioner has said, mandating that States choose certain kinds of educational programs for their title I programs.

On the other hand——

Senator MONTOYA. Do you not have within title I enough flexibility to exact from the different school districts a positive program on reading?

Mr. WHEELER. Well, we have to leave the choice to them, but we can encourage them, Mr. Chairman, and this is what we do. And I think by far the largest——

Senator MONTOYA. I am not speaking of mandating.

Mr. WHEELER. No, we strongly encourage it. It is in our regulations' language, and I think that we have succeeded.

Senator MONTOYA. But then you have the power of review, and power of audit, and the power of monitoring.

Mr. WHEELER. Yes, but that stops short of saying to the school district that you have to stop this kind of reading program and get into this one.

Senator MONTOYA. If they do not do certain things, then they are not complying with the requirements of title I.

Mr. WHEELER. Well, that is true.

Senator MONTOYA. So what do you do then?

Mr. WHEELER. All of those things stop short of our being able to force a program choice onto them. The law is very explicit in saying——

TITLE I NONCOMPLIANCE

Senator MONTOYA. Supposing the school district does not do anything by way of compliance with any provision of title I, what do you do? [Pause.]

Mr. WHEELER. We have the authority, Mr. Chairman, to withhold the allocations from them. We also have the authority to request them to pay it back.

Senator MONTOYA. With respect to all of the defalcations why can you not do it with respect to title I?

Mr. WHEELER. Because we are explicitly prohibited from dictating to a school district or a State department of education the kind of program that they shall have. We require them to undertake a needs assessment and then design a program based upon what their findings are with respect to that needs assessment.

What I have been trying to say, Mr. Chairman, is that by far the largest proportion of our programs will deal with reading and numbers. Dr. Rodriguez can give you some figures on that which might be useful for the records. There is another direction that we take in order to encourage school districts to get involved in reading particularly, and that is with our right to read program. Dr. Holloway can talk about that also.

RIGHT TO READ

Senator MONTOYA. I would like to have Dr. Holloway's testimony on this. Also, what is lacking in putting this program through on the part of the school districts?

Dr. HOLLOWAY. Mr. Chairman, I am pleased to talk about right to read, especially as it relates to the State agencies, because we see them needing a great deal more assistance and being able to help local districts.

The right to read works with States in a little different way than title I. I would like to explain that we negotiate an agreement with the chief State school officers of the 31 right to read States which specifies that they will perform certain kinds of services and that the Office of Education will perform certain kinds of services. An example of the activities that States are required to perform in connection with right to read is to train local reading directors in every school district in their State to be responsible for coordinating all reading activities.

We do not have adequate funds to provide flow through moneys to every local district, and we certainly are not duplicating title I, but it is very important to have someone in that local district who has the responsibility for reading programs and who is accountable.

The other thing that we do is look at teacher certification. You mentioned earlier a teacher's being prepared to train, to help children in the area of reading. We recognize that because the average elementary teacher has only one course in the teaching of reading.

So the chief State school officer then agrees to review the certification regulations that they now have, and work with colleges and universities to restructure those regulations. We have any number of examples of how States have changed their policies relating to preparing teachers in the area of teaching and reading.

A third thing that we do that I think is very important in working with States is identifying effective reading programs, regardless of source of funds, local, State or Federal. States then disseminate that information to local school districts so that they can improve upon and more effectively implement their existing programs.

We have a number of examples of how local districts have changed their reading program based upon the best information the States can make available to them on programs that have worked, and we think it is very important to share that kind of information.

I would mention one or two other things. One is the training of tutors. We are trying to eventually match a tutor with every child who has a reading difficulty, and what we do at the Office of Education is set up training programs in each State for States to invite local people who want to coordinate tutoring programs in their State. This is on a volunteer basis, and we have now covered 20 of the 31 funded

States in right to read with this kind of program. We have the materials they use all developed We also have a number of projects that involve bilingual students.

Finally, I would say that State agencies try to get governments involved. Twenty-seven governments have issued proclamations making reading a top priority in their State, and 13 of those either have or are seeking State legislation on right to read.

Senator MONTOYA. Supposing that a Governor proclaims that that right to read is a top priority. Now, what does he do to implement it, and what does HEW do byway of helping that Governor?

Dr. HOLLOWAY. That is a very good question, because we spoke at the Governors' Conference last year, and they asked for specific ways they could support right to read. One of the things we suggested was that Governors not only make it a priority by proclamation but either try for legislation or see that programs are better coordinated so that they are all working toward the right to read goal, which involves not simply a program, incidentally, but a total effort.

We also ask governments to try to get the private sector involved at the State level, just as we do at the Office of Education. We reach out to the major corporations in this country, and they, indeed, establish programs in reading and literacy.

Senator MONTOYA. For their employees?

Dr. HOLLOWAY. For their employees and for school district people. We have a number of major corporations that are providing in these times for their employees to help school districts. We have any number of corporations that are providing reading programs for secondary school students in their actual plants.

Senator MONTOYA. Does New Mexico have a contract with you under this program?

Dr. HOLLOWAY. No, the Government works with the chief State school offices.

Senator MONTOYA. All right. You mentioned you were in contract with 31 states.

Dr. HOLLOWAY. Yes.

Senator MONTOYA. Does New Mexico have one of those contracts?

Dr. HOLLOWAY. New Mexico is coming in as one of our new right to read States as I understand it. We have a number of local school district programs in New Mexico. As a matter of fact, a new school in Albuquerque is one of the demonstration models for the country in right to read. They will be coming in, though.

Senator MONTOYA. You have a new school in Albuquerque.

Dr. HOLLOWAY. The LaLuz School in Albuquerque is a national model.

Senator MONTOYA. LaLuz?

Dr. HOLLOWAY. Yes, for bilingual reading programs.

Senator MONTOYA. I visited that school.

Dr. HOLLOWAY. It is one of the national models for teaching reading bilingual in the country. Now New Mexico has a State agency which will be coming in, I understand, on March 24, which is our application deadline.

Senator MONTOYA. Let me tell you what Albuquerque is doing. They are not only teaching bilingual education but they are also using their own funds, local funds, to teach the so-called English-speaking children

Spanish. They are using the reverse now out of their own funds, and it is working beautifully. They have 1,000 children enrolled in that program learning Spanish.

Dr. HOLLOWAY. I am pleased that you mentioned that, Mr. Chairmen, because that program started at the LaLuz school, where they had the reverse kind of thing and I am aware that it has spread in the school district, and that is one of the functions that we try to serve in right to read. It is sort of a catalytic function to see that some of these practices spread beyond the dollars that we have to spend.

Senator MONTOYA. All right.

PROGRAM DISTRIBUTION

Mr. WHEELER. Mr. Chairman, just before—I do not want to belabor this one point but I think it is important that the record show that the larger proportion of the programs are in reading, mathematics, and language skills, and that about 81 percent of the funds spent on the local school districts were spent on instructional costs, with the remaining for supporting services. I would suspect that something like 67 percent of our programs are in reading and in mathematics in title I.

Senator MONTOYA. Yes.

LEADERSHIP AT FEDERAL LEVEL

Dr. BELL. I think we should also say, Senator, that we believe, I certainly believe, that there is room for us to improve considerably in how we provide better leadership and stronger direction to State agencies than we have been doing and I hope that we are going to be able to be showing some better progress.

Senator MONTOYA. Well, I wish you would because I have found in my struggle to get bilingual education to where it is today, I have found a lot of resistance from the educators in the past. Now they are embracing it because they see Federal funds, and so it is the attraction of the dollar rather than the concept.

Dr. BELL It really is the same thing in talking about Federal funds with title I. Some States are now coming in with their own equivalent to a title I program. And so I think this shows where this committee has had a profound impact on American education beyond the dollars that they appropriate.

The thing that happens, based upon my experience, is if you get a program in one place they are serving the children, the parents will fill the school board room in the local school board and say, "That's great but give it to my children, too." And that is the thing that generates this. We need to get in that game more than we are.

Senator MONTOYA. I think you can demonstrate some real leadership here, Commissioner, in this field in trying to point out the failings in different States with respect to the right to read program, with respect to bilingual education, with respect to upgrading the instruction in many of the fields where children might benefit.

Dr. BELL. I think we have been a bit too diplomatic in not pointing out these things.

Senator MONTOYA. Well, you have been a dispenser of foreign aid to the school districts rather than an innovator.

Dr. BELL. That is precisely right. We have got to shift that role over.

EDUCATIONAL PROGRAMS IN NEW MEXICO

Senator **Montoya**. I know my brother is the chairman of a board of education in New Mexico and we have—in fact, we are the first school district to put the Indians into the public school system. And I was just talking to him about reading, the right to read in his school to put some real emphasis in it.

Dr. **Bell**. I am impressed with your dynamic new Governor, his wife, and their commitment to education. I think there are some big things coming up in New Mexico in education.

Senator **Montoya**. Yes, and I think the legislature has been very sympathetic this year to better educational funding.

Dr. **Bell**. They surely have.

Senator **Montoya**. Because of the Governor's leadership.

IMPACT AID

Well, fine. Let's see. Now you are asking for new impact aid legislation just 7 months after the Congress enacted a new law. Why do you not just follow the law until it expires?

Mr. **Wheeler**. There are two reasons, Mr. Chairman. One is the budgetary consideration and second is the amount of work which the current law, the present law passed 7 months ago, places upon us. One of the things that happens is that the complexities of that law require us to increase the number of calculations we would make for each allocation from 3 to about 30. We can explain that to you in general terms if you would like it. It is extremely complicated.

Senator **Montoya**. Why do you not insert that in the record.

Mr. **Wheeler**. Yes, we will do that.

[The information follows:]

SAFA Calculations Necessitated by Changes in Fiscal Year 76

Numerous calculations for entitlement and payment are necessitated by the changes that are scheduled to go into effect in fiscal year 1976 that include:

Creation of several subcategories of "A" children;

Establishment of new subcategories for "B" children to provide varying local contribution rates for children who reside on Federal property only, those whose parents are employed in the same county as the school district, those employed out of the county but in the same State, and those in the Uniformed Services;

Addition of a payment for handicapped children of parents in the Uniformed Services in both A and B categories equal to one and a half times the usual rate if a special program for their educational needs is being provided;

Provision of three tiers for making payments when appropriations are not sufficient to provide full entitlement;

Authorization of payments for low-rent housing children in the first and third tiers but not in the second. Such payments must be used for programs and projects designed to meet the special educational needs of educationally deprived children from low-income families;

Modification and extension of assistance for decreases in Federal activities;

New hold-harmless provisions (two of which begin in fiscal year 1975).

REALISTIC FUNDING LEVEL

Senator **Montoya**. Assuming your efforts to change the impact aid law are unsuccessful, what would you consider to be a realistic funding level?

Mr. STORMER. The rough estimate at this time would be in excess of $600 million to fund levels I and II. That does not include the provisions of the hold harmless portions of the law which go into existence beginning with fiscal year 1976. And as I say, this is a rough estimate at this point. We are trying to refine these estimates based on current data.

Senator MONTOYA. What do you consider the requirements for the hold harmless section?

Mr. STORMER. These are problems. We have to know what the level of funding is for the first two tiers before we can project what the four hold harmless provisions would require.

Senator MONTOYA. You have no estimates?

Mr. STORMER. Not at the present time.

Senator MONTOYA. Would you be able to submit an estimate?

Mr. STORMER. We are attempting to get a much more refined estimate. We hope it will be available shortly approximately in the first or middle of April.

Senator MONTOYA. All right. How many school districts are getting impact aid payments right now?

Mr. STORMER. At the present time, 4,500, approximately.

Senator MONTOYA. And how many would be covered under your plan?

Mr. STORMER. Under the proposed legislation of the administration, roughly 900 to 1,000.

Senator MONTOYA. Would your proposal cut out any support of the so-called high-impact schools for 25 percent of the children there as a result of Federal bias?

Mr. STORMER. The proposal would compute the entitlement approximately the way it is computed in fiscal year 1975. Districts would then be required to absorb 5 percent of their 1975 estimated current operating expenses. So some aid to the high-impact districts would be reduced.

Mrs. BEEBE. Mr. Chairman, I would like to point out that though there are a significant number of districts who will not be aided under our proposal, the majority of them will lose less then 2 percent of their operating budget, and I have a table here that shows the loss that districts, currently aided under our new proposal, that 1,246 districts, will lose less than 1 percent. An additional 1,042 will lose less than 2 percent. Very few of the districts that will not be aided lose a significant amount of money.

[The information follows:]

Estimated number of districts that lose SAFA payments under proposed legislation

Percent of total current expenditure received from SAFA	*Number of districts*
Less than 1	1, 246
1 to 1.9	1, 142
2 to 2.9	554
3 to 3.9	311
4 to 4.9	208
Total	3, 461

Senator MONTOYA. Well, do you have any that will lose quite a bit?

Mrs. **Beebe**. No district will lose more than 5 percent. It is a hold harmless to the 5 percent of their total operating budget and we do have a listing that estimates by district.

Dr. **Bell**. Simply stated, Senator, the administration's proposal would only give a school district impact aid if the loss of their total impact aid would cause them to lose more than 5 percent of their total budget, and then they would bring it up so they would not lose more than 5 percent but they would still lose that 5 percent.

Senator **Montoya**. I see.

LOW-RENT HOUSING

Senator **Montoya**. Would you explain provisions in the impact aid law dealing with low-rent housing and handicapped children and how do you propose to get around these requirements in the law?

Mr. **Stormer**. The requirements in the law are that any payments which are made on behalf of children associated with low-rent housing will be identified, earmarked, and those payments shall be used for compensatory education programs for those particular kinds of children. And the funds literally are earmarked and monitored from the time of award to the time of expenditure.

Senator **Montoya**. What compensatory educational programs are you thinking about?

Mr. **Stormer**. These will basically have to follow the title-I-type program. The same is also true for special education children who are associated with parents in uniform services. Those funds are also earmarked and would have to be monitored and expended for special education programs for those children.

Senator **Montoya**. Now do these districts have to file an application?

Mr. **Stormer**. Yes, sir.

Senator **Montoya**. Do they know about this?

Mr. **Stormer**. Yes; they are aware of it. The application forms have not yet been developed for fiscal year 1976, but they are aware that such is coming.

Senator **Montoya**. When does this program take effect?

Mr. **Stormer**. July 1, 1975 for fiscal year 1976.

Senator **Montoya**. Now supposing that you do not process all of these applications in time but eventually approve them, will you give the application retroactive application or force?

ADMINISTRATIVE PROBLEMS

Mr. **Stormer**. Literally, one of our problems at the present time is determining how it shall be administered. For instance, with low-rent housing you receive an application and there is a claim for low-rent housing for x number of children. We would have to inform them of the amount of entitlement that they would be due. They, in turn, would have to illustrate that they have the program to utilize that fund. We almost predict that we would have to inform them one year that they could spend the funds the following year for that compensatory-type program.

Under our current situation, applications are received under the impact aid program January 31 each fiscal year, and so within that time frame we would have to identify the funds they were entitled to and allow them to expend the money the following year for an approved compensatory-type program.

Senator MONTOYA. So do I understand that they will not receive anything for expenditure during the 1976 fiscal year?

Mr. STORMER. Well, I am speaking strictly for the low-rent-housing-type children.

Senator MONTOYA. That is what I mean.

Mr. STORMER. Actually, I do not know. I would presume.

Senator MONTOYA. Would that not be in violation of the intent of Congress for you to postpone their expenditure authority one fiscal year?

Mr. DINGELDEIN. I would like to qualify one point, because under the proposed legislation they would not be participating. We have a legislative proposal before the Congress and the budget would be based upon that.

If, however, the committee took different action, appropriated funds under current law, then low-rent housing payments would be relevent. As far as the budget that is before you right now, we are not proposing you provide any funds for the public housing children or for the handicapped.

Senator MONTOYA. For the next fiscal year?

Mr. DINGELDEIN. That is right.

Senator MONTOYA. Well, does the law not require that you do? Is there not an authorization?

Mr. DINGELDEIN. Yes; that is right, but we are asking the Congress to change the law. We have a legislative proposal that has been sent to the Congress to change that law.

Senator MONTOYA. What kind of change are you asking for?

Mr. DINGELDEIN. Basically, it is keeping with present priorities or the priorities within the program before the changes were made last summer—and introducing this 5-percent absorption feature.

Senator MONTOYA. What are you doing about low rent housing and handicapped children, then?

Mr. DINGELDEIN. They will not be included in the proposal.

Senator MONTOYA. So, in other words, the law is there but you are asking that it be repealed to that extent.

Mr. DINGELDEIN. That is right.

Senator MONTOYA. All right.

WHAT HAPPENS IF PROPOSED LEGISLATION IS NOT PASSED

Mrs. BEEBE. Mr. Chairman, I would like to clarify Mr. Stromer's remarks. If the Congress does not enact our budget proposal, we probably will have to be before this committee or the authorizing committee to provide language to enable us to operate the new law during its first year. The law which Congress has just passed which comes into effect in fiscal year 1976 is so complicated and requires so much additional data and computation that we do not know for certain that it would be possible for us to administer that law without some convenience language.

I think this is what Mr. Stormer has under study now. We do not know the extent of it but we might have to be before this committee to do that.

Dr. **Bell**. We have been before the authorizing committees on this, so we are working on that aspect of it.

Senator **Montoya**. Is it your feeling that they are going to repeal this?

Dr. **Bell**. I would not predict that, sir. They may make some amendments to it so the law is more workable. We have had oversight hearings before Congressman Perkins—Chairman Perkins' committee—but as far as outright repeal, I think that would be something that would not happen.

I would like to say, Senator, if I may, that as we look at our priorities in the Office of Education and live with the budget realities that we have to live with, and as a Commissioner, I get a total number of dollars that the administration says we want to spend in this area, and I understand this and support the fact that they must do this. It is the only orderly way it can operate—and I look at priorities and I contemplate what Mrs. Beebe just said. I have to put this program as a priority behind our programs for disadvantaged children. That is why we have come with the budget amounts we do. Each time we get the gross dollars we start looking at tradeoffs and how we ought to phase priorities. It is hard for me to take money out of Compensatory Education Title I and some of these other high priority programs for the disadvantaged and put it in impact aid.

SCHOOL CONSTRUCTION

Senator **Montoya**. Now, are you planning any special action to help relieve school problems related to the construction of the Alaska pipeline?

Mr. **Stormer**. To the best of my knowledge, the only assistance would be that in the normal vein of applications received under Public Law 815 and their competition with others sutbmited around the country for the assistance that is being requested under 815.

Mr. **Wheeler**. Mr. Chairman, I would like to say that we have been in touch with the school authorities and I would think we have an understanding of the problems. We can only respond insofar as the law allows us to respond. We suspect that there are going to be some serious problems in Alaska and we have got some other kinds of administration problems also which relate to Alaska and impact aid which are going to have to be settled here before too long. But we are aware of the problem and I think that we will respond to the limit permitted by law.

Senator **Montoya**. Well, relegating them to 815 generosity is not doing too much for them, is it?

Mr. **Stormer**. No, sir.

Mr. **Wheeler**. No, sir, it is not.

CONSTRUCTION PRIORITIES

Senator **Montoya**. In fact, they come under that immigration provision where they have to take care of the top of the pile first and put them at the bottom. So you will probably reach them about 20 years from now.

Mr. **Stormer**. All applications ranked in priority order are funded in turn regardless of the year in which they are filed.

Senator Montoya. When did you change that policy?

Mr. Stormer. This has been a policy since approximately fiscal year 1969.

Senator Montoya. I have been trying to get some 815 money from some of my districts and that is what they tell me over at HEW. So I guess the reasons and excuses change from day to day.

Mr. Stormer. Criteria have remained the same since that year. The applications percolate to the top and then those at the top, regardless of the fiscal school year in which they are filed, get the money.

Senator Montoya. What if there are a hundred priorities at the top and only money for three?

Mr. Stormer. The top three would get the priority, or would get the funding, and the 97 below——

Senator Montoya. All right. How many do you have at the top that classify equally with respect to priority?

Mr. Stormer. Equally?

Senator Montoya. Yes.

Mr. Stormer. None of them are equal. Each priority is a computation unto itself, a combination of the number of children for which the district is eligible for payment, plus a factor of a number of children who were unhoused. We expand annually our list of applications.

Mr. Burns. Senator, I might add at the present time——

Senator Montoya. Let me make this observation and then I will——

You have cut the budget in half, have you not?

Mr. Stormer. The appropriation request is in half.

Senator Montoya. $20 to $10 million. Did you people do that? Did you request that, or did the OMB cut you down to size? That is the language they use, I think.

Mr. Bell. Senator, we had the gross amount of money that was allocated to us and then we had to send back our priorities. So based upon that we were faced with these other problems that we talked about. And so——

APPLICATIONS FOR PUBLIC LAW 815 FUNDS

Senator Montoya. Would you state for the record at this point the amount of applications you have for 815 money? How many school districts are applying, the total sum for the whole country? And when you do expect to satisfy their requirements and their aspirations and expectations?

Give me the year.

Mr. Wheeler. Mr. Chairman, you mean you want us to supply that for the record?

Senator Montoya. Yes.

[The information follows:]

Construction Applications Under P.L. 815

Following are current priority lists established under Public Law 81-815. The Regulations stipulate that the priority lists must be maintained in three parts as follows:

1. Order of Priority Indices and Funds Needed - Sections 5 and 14(c).

   Note: Caution should be taken when using this list. Those applications listed with a double asterisk (**) are those which the impact of federally connected pupils is not related to military installations nor Indian lands. Those applications are to be funded after all other applications are funded.

2. Order of Priority Indices and Funds Needed - Sections 14(a) and 14(b).

3. Order of priority Indices and Funds Needed - Section 10.

COMBINED PRIORITY LISTING
Sections 5 and 14(c)

August 1974
Revised March 1975

Priority Index	No. of Applications per		Estimated Entitlement per		Remarks
	Interval	Cumulative	Interval	Cumulative	
100 and above....	-	1	-	2,000,000	
90-99.9..........	-	1	-	2,000,000	
80-89.9..........	-	1	-	2,000,000	
70-79.9..........	1	2	1,801,751	3,801,751	
60-69.9..........	3	5	1,067,122	4,868,873	
50-59.9..........	1	6	2,351,734	7,220,607	
40-49.9..........	3	9	1,675,703	8,896,310	
30-39.9..........	2	11	374,005	9,270,315	
20-29.9..........	11	22	5,048,349	14,318,664	
10-19.9..........	79	101	32,782,232	47,100,896	
0.1-9.9..........	125	226	40,035,015	87,135,911	
(0) Zero priority applications ranked in subpriority order					
100	-	226	-	87,135,911	
90-99.9..........	-	226	-	87,135,911	
80-89.9..........	-	226	-	87,135,911	
70-79.9..........	-	226	-	87,135,911	
60-69.9..........	-	226	-	87,135,911	
50-59.9..........	-	226	-	87,135,911	
40-49.9..........	-	226	-	87,135,911	
30-39.9..........	1	227	676,704	87,812,615	
20-29.9..........	1	228	40,960	87,853,575	
10-19.9..........	16	244	3,671,092	91,524,667	
0.1-9.9..........	129	373	30,180,399	121,705,066	
0................	25	398	16,689,548	138,394,614	T. Ineligible

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION 5 and 14(c)

*
** See notes on page

August 1974

Revised: March 1975

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AZ-74-C-25	Pima Co. S.D. #1		112.1		2,000,000
VA-74-C-5	York Co. Bd of Ed		77.9		1,[illegible],737
OK-72-C-434	Tahihina I.S.D. #32 (14c)**		66.4		635,170
CO-75-C-5001	El Paso Co. S.D. #49 (W.)	63.0		349,650	
WY-1601A18	S.D. #6, Lyman II **		61.8		82,302
CA-75-C-58A25	San Diego Unified S.D. (W.)	51.8		2,351,734	
Colo-75-C-5001	El Paso Co S.D. # 49		[illegible]		250,190
NE-75-C-502	Macy S.D. #16	45.3		205,494	
Nebr-75-C-7	Bellevue S.D. #1 (W.)		[illegible]		1,[illegible]
CA-68-C-1603	Stoney Creek Jt. U.S.D. **		34.4		57,370
CA-75-C-32	Fallbrook Union E.S.D. (W.)	31.2		316,635	
NV-75-C-603	Clark Co. S.D., Las Vegas (W.)	29.2		1,598,850	
CA-74-C-50	Indian Wells Valley Jt. USD		27.4		441,450
LA 74-C-602	Vernon Parish - Pickering Waiver		24.9		218,272
SC-74-C-501	Sumter Co. S.D. #2 (W)		23.5		835,354
TX-73-C-32	Lampasses I.S.D.		23.4		178,605
TX-72-C-49	Flour Bluff I.S.D.		23.2		473,473
IL-89-C-4	O'Fallon Comm. Cons. SD #90		22.8		148,410
SC-74-C-401	Berkley Co. Bd. of Ed. (W.)		22.5		284,088
VA-74-C-5	Co. Sch. Board, York (W.)	21.8		311,286	
AZ-72-C-510	Agua Fria UHSD *		21.6		208,041

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTIONS 5 and 14(c)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
CO-12A19	Colorado Springs Harrison S.D. #2, Sec. 8		20.4		350,520
CA-74-C-546	Kern Jt. School District (W.)		19.8		257,850
AZ-72-C-501	Sierra Vista Comm. SD #68		19.6		217,620
TX-1801A20	United Cons. ISD, Laredo		19.4		185,962
CA-546A20	Kern Jt. UHSD, Bakersfield (W.)		19.0		225,556
NE-71-C-1	Sec. 8 S.D. of the City of Bellevue		18.9		1,733,760
IL-1705A20	Cent. E.C.S.D. #103, O'Fallon		18.4		34,615
IL-70-C-1	Mascoutah Comm. Unit #19		18.4		740,[illegible]
WI-1801A20	Jt. SD #1, Mauston		18.4		188,100
GA-76-C-24	Richmond Co. Bd. of Ed. (W)		18.0		203,700
NV-601A22	Churchill Co. S.D., Fallon		18.0		355,884
NE-1801A20	Shelton Pub. SD #19-41		17.4		25,670
TX-61A18	Del Valle ISD		17.0		169,344
IN-1705A19	N. Central Sch. Consol., Palmyra		~~16.8~~		~~115,045~~
CA-702A20	Central U.E.S.D., Lemoore		16.6		398,468
IL-602A20	Rantoul Twp. H.S.D. #18		16.6		128,075
CA-58A21	San Diego Unif. S.D. (W.) (Cabrillo Hgts)		16.4		250,971

ORDER OF PRIORITY INDICES AND FUNDS NEEDED FOR SECTION 5 and 14(c)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
WI-1001A21	Jt. S.D. #1, City of Bayfield (Crestview)	16.4		54,371	
AZ-501A18	Sierra Vista CSD #68		16.0		89,380
AK-72-C-11	Gosnell S.D. #6		15.8		238,469
R.I-2A19	Town of N. Kingstown School Department		15.8		831,733
CA-58B25	San Diego Unif. S.D. (W. Murphy Canyon Heights)	15.6		1,459,485	
CA-58B21	San Diego Unif. S.C. (W. Chesterton)		15.4		235,144
VA-14A20	Sch. Bd. of King George Co.		15.4		218,000
WA-73-C-34	Central Kitsap S.D. #401		15.4		806,022
CA-72-C-50	Indian Wells Valley Jt. USD		1[illegible]		198,205
NM-72-C-1	Alamogordo Mun. S.D. #1 *		14.9		44,745
AL-5A21	Greater Anchorage Area Bor. S School District		14.8		3,617,325
CA-811A20	Wheatland U.H.S.D.		14.6		124,013
CA-50A21	Indian Wells Jt. USD		14.4		162,000
NM-503A20	Cloud Croft Mun. S.D. #11 **		14.4		32,832
NE-12A21	S.D. of Plattsmouth		14.2		111,720
TX-61A21	Del Valle I.S.D.		14.2		605,775
VA-5A20	Co. Sch. Bd. of Yorktown		14.2		1,052,650

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION 5 and 14(c)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AZ-501A21	Sierra Vista CSD #68		14.0		121,180
VA-1A21	City of Virginia Beach Sch. Bd.		13.8		1,300,000
AZ-202A18	Tempe ESD #3		13.7		443,686
IL-1101A19	Wesclin Comm. U.S.D. #3		13.6		146,803
NJ-601A19	Burlington Twp. Bd. of Ed.		13.6		166,725
KS-1501A19	Unif. S.D. #449, Easton		13.4		27,470
OH-208A21	Wayne Township S.D., Dayton		13.3		505,195
MS-2A18	Biloxi Mun. Sep. S.D.		13.1		166,582
CA-57A22	Chula Vista C.S.D. *		13.0		1,446,970
AZ-10A18	Avondale S.D. #44		13.0		91,723
IL-17A19	Wilmington Comm. Unif. SD 209U		13.0		106,335
NV-603A24	Clark Co. S.D. (W. Nellis AFB)	12.9		1,598,850	
TX-413A20	Copperas Cove I.S.D.		12.9		139,050
LA-1501A21	Bossier Parish Sch. Bd. #3	12.7		146,520	
AZ-507A18	Sunnyside H.S.D. #12, Tucson		12.6		55,917
ID-7A18	Jt. S.D. #204, Kamiah **		12.4		25,425
IL-702A20	Lebanon Com. H.S.D. #8		12.4		17,710
CO-505A21	El Paso Co. S.D. #3, Security		12.2		399,200
AL-11A18	Enterprise City Bd. of Ed.		12.0		146,472
MS-1001A21	Harrison Co. S.D., Gulfport *		12.0		368,368
SC-73-C-L	Summerville S.D. No. 1		11.9		339,845

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTIONS 5 and 14(c)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
CA-627A20	Los Alamitos S.D.		11.9		597,700
IL-701A19	Joliet Public Schs. Dist. #86		11.9		904,230
AZ-201A20	Yuma Co. E.S.D. #1, Yuma		11.8		501,296
WA-34A19	Central Kitsap S.D. #401		11.3		269,556
CA-1606A19	Petaluma City S.D.		11.0		199,995
AL-10A20	Ozark City Schools		10.8		185,308
CA-623A21	Ocean View S.D. *		10.8		192,780
KY-1601A19	Jefferson Co. S.D., Louisville **		10.8		1,360,000
NM-603A19	Los Lunas Cons. Schools		10.7		199,104
VA-17A21	Co. Sch. Bd. of Prince William County		10.7		2,103,465
WI-1802A20	Unif. S.D. #1, Ashland		10.6		179,640
CA-638A20	Oxnard U.H.S.D.		10.4		853,325
CA-1607A18	Petaluma City S.D.		10.4		192,888
OH-23A20	Beavercreek Local S.D., Xenia		10.4		350,079
OK-904A22	Western Hgts. ISD #41 **	10.4		165,345	
KS-1702A19	Parsons Unif. S.D. #503		10.2		136,690
MA-1701A19	North Andover Sch. Comm. **		10.2		142,800
MS-701A20	Jackson Co. S.D., Pascagoula		10.2		131,775
Kans 69-C-1702	Unified S.D #303 Parsons		10.1		136,690

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Calif-815A20	Lemoore U.H.S.D.		10.1		250,467
Calif-50A20	Indian Wells Valley Jt. U.S.D.		10.0		98,333
Calif-1101A19	Oceanside-Carlsbad Jr. Col. Dist.		10.0		29,145
Colo-603A20	U.S.A.F. Academy S.D. #20 (Crestview)		10.0		181,177
Mont-803A22	Great Falls H.S.D.		10.0		397,453
Wash-19A20	South Kitsap S.D. #402		10.0		150,000
Ill-1604A19	Lincoln-Way H.S.D. #210, New Lenox		9.9		53,550
Va-1F21	City of Virginia Beach Sch. Bd.		9.9		926,000
Md-3A20	Bd. of Ed., Anne Arundel Co. (W)		9.8		3,689,940
Ariz-1901A21	Snowflake U.H.S.D. #60 **		9.6		34,279
Fla-3A19	Bay Co. Bd. of Ed., Panama City		9.6		549,349
Ill-13A20	North Chicago E.S.D. #64		9.5		328,720
Calif-14A21	Alameda Unif. S.D.		9.4		1,374,688
Calif-1411A19	Napa Jr. Col. Dist.		9.4		54,069
N.Car-4A19	Fayetteville Cumberland Co. Bd. of Ed.,		9.4		500,000
S.Car-1A18	Summerville S.D. #2		9.4		132,810

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
NJ-202A18	Bd. of Ed., Twp. of Ocean		9.2		170,000
IN-1704A19	Scott Co. S.D., Austin		9.0		64.010
KY-1601B19	Jefferson Co. S.D., Louisville **		9.0		1,360,000
NJ-1103A18	Lenape Reg. H.S.D., Medford		9.0		105,000
AR-1201A19	Ashtown S.D. #31		8.9		45,510
GA-11A20	Cobb Co. Bd. of Ed.		8.8		1,320,680
VA-73-C-7	City of Hampton S.D.	8.8		1,633,372	
CA-623A20	Ocean View S.D.		8.6		129,256
KY-1601C19	Jefferson Co. S.D., Louisville **		8.6		705,000
RI-73-C-401	Newport School District		8.6		691,182
TX-72-C-2	Yaleta Indep. S.D.	8.6		1,175,790	
CA-72-C-608	Poway Unif. S.D.		8.5		627,200
FL-5A20	Clay Co. Sch. Bd., Green Cove Springs		8.4		241,290
KS-206A20	Ft. Leavenworth Unif. S.D. #207		8.4		135,850
MO-1801A20	Richmond R-XIII S.D.		8.4		66,555
WA-34A24	Central Kitsap S.D. #401	8.4		641,968	
IL-1704A19	Union S.D. #81, Joliet		8.2		9,447
OH-9A18	Mad River Green Local S.D.		8.0		81,600
IL-1709A19	Herrin Comm. U.S.D. #44 **		7.9		153,000
AL-11A19	Enterprise City Bd. of Ed.		7.8		127,429
TX-1701A19	Sherman I.S.D.		7.8		214,583
KS-1801A20	Auburn-Washburn Unif. S.D. 371		7.6		183,597
MO-3A18	Center S.D. #49		7.6		148,070
CA- 58C25	(W. Murphy Canyon Hgts.) San Diego Unif. S.D.	7.5		495,145	

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AK-401A22	Alaska St. Operated Schools Anchorage	7.5		2,024,250	
IL-12A21	Comm. Cons. S.D. #70, Freeburg	7.4		41,170	
IL-1601A19	Bradley-Bourbonnais Comm. H.S.D.		7.4		53,375
IL-1701A19	ESD #96, Romeoville		7.4		143,055
MI-604A21	Forsyth S.D., Gwinn		7.4		327,807
TX-1504A19	Medina Valley I.S.D.		7.4		32,450
FL-5A18	Clay Co. Sch. Bd., Green Cove Spgs.		7.3		183,184
MO-1601A19	Ft. Zumwalt Sch. District		7.3		106,560
CA-246B21	San Francisco Unified S.D. (W. Treasure Island)		7.0		85,918
MO-1601A18	Ft. Zumwalt S.D., O'Fallon		7.0		83,750
CA-1604A18	Escalon Unif. S.D.		6.8		57,285
CO-73-C-12	Harrison S.D. #2, Colo. Springs		6.6		414,790
CA-815A22	Lemoore U.H.S.D.		6.6		90,650
CO-12A21	Harrison S.D. #2, Col. Spgs.		6.6		160,000
MN-601A22	I.S.D. #390, Baudette		6.6		47,202
PA-603A20	Pocono Mt. S.D., Swiftwater		6.6		213,497
FL-5A19	Clay Co. Bd. of Ed., Green Cove Spgs.		6.5		225,970
NC-501A18	Wayne Co. Bd. of Ed., Goldsboro		6.2		79,560
MS-202A20	Long Beach Mun. Sep. S.D.		6.1		76,125
CA-608A19	Poway Unif. S.D.		6.0		144,720

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
FL-72-C-5	Clay Co. Sch. Bd., Green Cove Springs	6.0		267,865	
VA-73-C-1	City of Virginia Beach Sch. Bd.	6.0		1,658,572	
HI-201A18	State Dept. of Ed.		5.8		372,645
CA-203A19	Oceanside-Carlsbad U.H.S.D.		5.6		145,825
CA-1803A20	Mineral E.S.D. (Waiver)		5.6		2,033
IL-8A20	O'Fallon Twp. HSD #203		5.6		62,770
MS-701A19	Jackson Co. S.D., Pascagoula		5.6		68,775
MO-805A19	Raymore-Peculiar S.D. RII		5.6		26, 640
OK-11A22	Norman Indep. S.D. #29	5.6		202,340	
AZ-501A19	Sierra Vista C.S.D. #68		5.4		30,960
NC-4B19	Cumberland Co. Bd. of Ed.		5.1		361,930
CA-811A21	Wheatland U.:H.S.D.		5.0		47,838
NC-1A18	Craven Co. Bd. of Ed., New Bern		5.0		130,455
CA-45A19-1	South Bay U.S.D., Imperial Beach		4.9		238,185
IL-1508A19	Bradley E.S.D. #61		4.8		32,895
CA-702A21	Central U.E.S.D., Lemoore		4.6		126,616
CA-47A21	Victor Valley Jt. U.H.S.D.		4.4		437,087
MI-416A19	Rudyard Twp. S.D. #11		4.4		116,736

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AL-11A20	Enterprise City Bd. of Ed.		4.5		137,385
MD-7A19	Bd. of Ed., St. Mary's Co. Leonardtown		4.2		287,300
VA-12A18	Prince George Co. Sch. Bd.		4.1		99,085
CA-47A19	Victor Valley Jt. UHSD		4.0		102,510
FL-7A19	Okaloosa Bd. of Pub. Instr.		4.0		578,436
TX-2A19	Ysleta I.S.D., El Paso		4.0		359,900
KS-1602A18	Cons. Unif. S.D. #101, Erie		3.9		20,770
NV-603A19	Clark Co. S.D., Las Vegas		3.8		954,169
OK-13A22	Moore I.S.D. #2	3.8		147,980	
CA-203A18	Oceanside-Carlsbad U.H.S.D.		3.6		47,881
IL-1709A20	Herrin Comm. U.S.D. #44 **		3.6		64,400
Guam-601A21	Dept. of Ed., Agana		3.6		759,627
Guam-601A22	Dept. of Ed., Agana		3.6		682,714
CA-203A20	Oceanside-Carlsbad U.H.S.D.		3.4		73,723
CA-401A21	Wheatland S.D.		3.4		68,782
HI-201A19	State Dept. of Ed.		3.4		524,932
NV-603A18	Clark Co. S.D., Las Vegas		3.4		809,396
VA-72-C-1	Sch. Bd. of City of Virginia Beach	3.2		667,500	
TX-213A20	Burkburnett I.S.D.		3.1		77,557
KS-3A19	Derby Unif. S.D. #260		3.0		61,640
MO-213A18	Cons. S.D. #1, Hickman Mills		3.0		135,340

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Calif-246A19-1	San Francisco Unif. S.D.		2.8		35,376
Calif-608A20	Poway Unif. S.D.		2.6		80,250
Miss-701A21	Jackson Co. S.D., Pascagoula		2.6		50,765
Utah-3A19	Weber Co. S.D., Ogden		2.6		175,027
Iowa-1101A18	Lewis Central Comm. S.D.		2.4		18,995
Okla-13A19	Moore I.S.D.		2.4		70,450
Calif-61A18	Vista Unif. S.D.		2.2		74,385
Alaska-72-C-5	Greater Anchorage Area Borough		2.0		663,900
Mich-72-C-604	Gwinn Area Comm. Schs.	2.0		94,848	
Mo-407A18	Excelsior Springs S.D. #40 **		2.0		16,750
Calif-234A19	Livermoore Valley Jt. Unif. S.D		2.0		184,920
					[illegible]
Ill-13A19	North Chicago E.S.D. #64		1.9		100,291
Calif-50B21	Indian Wells Jt. U.S.D.		1.8		1,030
Calif-246A22	(Presidio Area) San Francisco Unif. S.D.		1.8		27,930
Hawaii-201A21	(Includes 1970) State Dept. of Ed., Honolulu		1.8		3,059,760
Idaho-1201A19	I.S.D. No. 1, Lewiston **		1.8		38,500
Mo-1505A19	Hazelwood S.D.		1.8		133,200
Calif-19A19	Muroc Unif. S.D.		1.6		55,174
Calif-37A18	Coronado Unif. S.D.		1.6		50,359

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
CO-3A19	Colorado Springs S.D.#11		1.6		184,230
MI-801A20	Anchor Bay S.D., New Baltimore		1.6		50,825
HI-201B18	State Dept. of Education		1.2		326,340
CA-203A21	Oceanside-Carlsbad U.H.S.D.		1.0		54,264
CA-815A23	Lemoore Union H.S.D.		.8		11,000
FL-1A20	Brevard Co. Bd. of Pub. Instr.		.8		312,417
FL-5A21	Clay Co. Sch. Bd., Green Cove Springs	.8		30,590	
CA-405A19	Folsom-Cordova Jt. Unif. S.D.		.6		84,018
CO-12A22	Harrison S.D. #2, Colo. Springs		.6		22,875
MI-217A20	Oscoda Area Schools		.4		11,770
MS-72-C-701	Jackson Co. S.D., Pascagoula		.4		11,700
CA-623A22	Ocean View S.D.		.2		3,675
HI-201A22	State Dept. of Ed., Honolulu		.1		247,950

ZERO PRIORITY APPLICATIONS LISTING BEGINS ON THE FOLLOWING PAGE

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTIONS 5 and 14(c)

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(0) ZERO PRIORITY APPLICATIONS -- SUBPRIORITY ORDER ( ) DENOTES SUBPRIORITY

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AZ-73-C-25	Pima Co. E.S.D. #1 (Waiver)	(36.9)		676,706	
OK-1801A20	Stuart ISD		(23.1)		40,960
IL-1502A20	Thomasboro Comm. Cons. SD 130		(18.6)		37,835
AZ-502A24	Palominas Comm. S.D. #49		(16.0)		61,000
IL-1702A19	Custer Park S.D. #44c		(15.6)		22,185
LA-901A21	Bossier Parish Sch. Bd. Dist 27	(15.1)		375,920	
IL-201A25	Community H.S.D. #123	(14.6)		775,184	
IL-1103A19	Gifford Comm. Cons. Gr. S.D. #188		(13.1)		36,425
CO-1801A20	Summit S.D. Re-1, Frisco **		(13.0)		60,175
TX-213A19	Burkburnett ISD		(12.8)		317,361
CA-707A18	Center Jt. S.D., North Highland		(12.5)		188,271
CA-1511A17	Elverta Jt. S.D.		(12.0)		47,000
IL-1707A19	Okawville Grade S.D. #46		(11.6)		20,655
OK-150/A17	South Rock Creek Dep. S.D. 32		(11.3)		13,570
NM-513A19	Cuba Ind. Rural Schools		(11.0)		54,900
AK-1A19	Kodiak I.S.D.		(10.9)		482,220
TX-64A19	Northside ISD, San Antonio		(10.4)		1,036,630
ND. 74-C-S03	New Town Pub. S.D. #1, New Town	(10.2)		163,761	
CA-58C21	San Diego Unif. SD (Bayview Hills W.)		(9.9)		293,930
IL-3A19	Savanna Comm. Unif. S.D. #300		(9.2)		110,925
LA-71-C-602	Vernon Parish S.D. (Pickering)		(9.0)		106,896
CO-1802A22	Summit S.D. Re-1, Frisco **		(9.0)		67,710
WI-1701A19	Jt. S.D. #1, Village of Black Earth		(8.9)		112,385
MS-5A20	Ocean Springs Mun. Sep. S.D.		(8.8)		149,625

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
IL-20A20	Reed-Custer Twp. H.S.D. #206		(8.7)		26,530
OH-15A20	Mad River Twp. Loc. S.D.		(8.6)		869,303
TX-1601A18	Peaster I.S.D.		(8.6)		6,160
MN-1601A18	ISD No. 15, St. Francis		(8.4)		94,500
NJ-1701A19	Somers Point Bd. of Ed. **		(8.4)		65,000
MO-18A19	Oak Grove Reorg. R-VI S.D.		(8.2)		49,680
CA-58D21	San Diego Unif. S.D. (Gateway Village - Waiver)		(8.1)		97,225
IL-1603A18	Joliet Twp. H.S.D. #204		(8.1)		305,688
AZ-506A21	Litchfield S.D. #79		(8.0)		56,440
NJ-1601A18	Shore Reg. H.S.D., W. Long Branch		(8.0)		69,840
MN-5A18	Circle Pines ISD #12		(7.6)		191,595
TX-1502A18	Crowley ISD		(7.6)		30,240
CA-1502A21	Washington USD		(7.5)		51,170
IL-8A21	O'Fallon Twp. H.S.D. #203	(7.5)		70,840	
TX-37A20	Azle ISD		(7.5)		139,725
MA [redacted]-605A19	Town of Shirley Sch. Comm.		(7.4)		61,950
IN-1703A19	W. Washington School Corp., Campbellsburg		(7.3)		76,120
MD-8A19	Bd. of Ed. of Prince George's Co.		(7.3)		1,468,000
VA-13A21	Stafford Co. Schools		(7.3)		364,665
CA-1502A22	Washington Union S.D.		(7.0)		56,350
IL-1602A18	Homer Comm. Cons. S.D. #33-C		(6.8)		16,215
KS-1803A20	Santa Fe Trail Unif. SD #434		(6.7)		55,055

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
NJ-1104A20	Monmouth Reg. HSD		(6.7)		118,917
OH-1801A20	Frontier Loc. S.D., New Matamores **		(6.6)		85,500
CA-63A19	Oxnard School District		(6.5)		435,161
CA-63B19	Oxnard School District		(6.5)		163,819
IL-1703A19	Braceville Comm. S.D. #75		(6.4)		12,240
TX-414A17	Dennison ISD		(6.4)		200,000
NE-7B17	S.D. #2, Grand Island		(6.3)		262,808
OH-508A18	Pickerington L.S.D. **		(6.3)		44,880
IL-1708A19	Bourbonnis ESD #53		(6.2)		58,905
MO-11A18	Cons, S.D. #4, Grandview		(6.2)		200,000
CA-1602A18	Arena U.E.S.D., Point Arena		(5.8)		35,739
IL-13B20	North Chicago E.S.D. #64		(5.8)		13,888
IL-1710A19	Plainfield Comm. S.D. #202		(5.8)		146,880
MN-5A19	Circle Pines ISD #12		(5.7)		167,320
MS-202A18	Long Beach Mun. Sep. S.D.		(5.7)		57,550
Guam-601A19	Dept. of Ed., Agana		(5.7)		1,203,301
CA-635A21	Travis Unified S.D.		(5.6)		529,074
MS-1102A23	Hancock County Unit S.D.	(5.6)		160,132	
AZ-25A20	S.D. #1, Tucson		(5.4)		372,735
CA-1502A19	Washington U.S.D.		(5.4)		25,125
TX-1702A20	Northwest ISD		(5.3)		37,800
WA-513A20	North Mason S.D. #403		(5.1)		40,460
CA-15A19	Moreno Valley Unif. S.D.		(5.0)		420,492
CA-635A19	Travis Unif. S.D.		(5.0)		381,900

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
VA-3A17	Fairfax Co. Sch. Bd.		(4.9)		3,000,000
MD-8A17	Bd. of Ed., Prince George's Co.		(4.7)		1,512,536
NE-7A18	S.D. #2, Grand Island		(4.7)		209,070
NY-1501A17	UFSD #3, Brookhaven		(4.7)		159,390
WA-1202A17	Waitsburg Jt. S.D. #401-10**		(4.7)		15,700
(Iowa) IA-203A18	Burlington Comm. S.D.		(4.6)		150,000
IN-1702A19	Scott Co. S.D. #2, Scottsville		(4.5)		106,395
OH-1701A19	North Olmsted City Schools **		(4.5)		262,280
UT-1C17	Bd. of Ed. of Tooele Co.		(4.5)		33,095
MO-1502A17	S.D. of Marshall		(4.4)		56,115
CA-1513A17	Sylvan U.S.D. Modesto		(4.3)		90,200
TX-80A17	Burleson I.S.D.		(4.3)		54,500
MO-801A19	Harrisonville H.S.D.		(4.2)		46,800
CT-604A17	Town of Monroe S.D.		(4.0)		87,360
MD-7A20	Bd. of Ed. St. Mary's Co.		(4.0)		382,700
CT-406A20	Town of Ledyard S.D.		(3.9)		154,350
NJ-1402A17	Cherry Hill Township Schools		(3.9)		481,740
WA-1302A17	Dayton S.D. #2 **		(3.9)		28,772
IN-1701A19	E. Washington Sch. Corp., Pekin		(3.8)		39,790
KS-803A17	Shawnee Mission Unif. S.D. #512		(3.8)		69,600
NJ-1201A17	Bd. of Ed., Evesham Twp.		(3.8)		67,890

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Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
GA--14A19	Houston Co.Bd. of Ed.		(3.7)		378,880
RI-401A20	Newport Sch. Dept.		(3.6)		389,623
AL-1A17	Huntsville City Bd. of Ed.		(3.5)		558,600
CA-1111A17	Riverdale Jt. U.S.D.		(3.5)		27,060
NM-402A19	Gallup-McKinley Co. Bd. of Ed.		(3.5)		409,981
TX-504A19	North East ISD, San Antonio		(3.5)		547,520
CA-75-C-32	Fallbrook Union H.S.D		(3.4)		322,392
MN-12A20	ISD 115, Cass Lake		(3.4)		55,575
AK-1402A17	Greater Juneau Bor. S.D.		(3.3)		118,720
OH-73-C-208	Wayne Township Local S.D.		(3.3)		327,700
WA-4A18	Clover Park S.D. #400		(3.3)		785,317
CA-234A17	Livermore Valley Jt. Unified SD		(3.3)		258,300
KY-4A17	Hardin Co. Bd. of Ed., Elizabethtown		(3.2)		135,660
MO-206A19	Ft. Osage Reorg. S.D. #1		(3.2)		96,480
NM-12A17	Las Cruces S.D. #2		(3.2)		266,750
CA-1514A17	Walnut S.D. **		(3.1)		67,240
Guam 601A20	Dept. of Ed., Agana		(3.0)		661,982
LA-1A21	Bossier Parish Sch. Bd. Dist. 13	(2.9)		404,928	
WA-34A17	Central Kitsap SD 401, Silverdale		(2.8)		110,763
CT-406A18	Town of Ledyard S.D.		(2.5)		74,128
MD-8B17	Bd. of Ed., Prince George's Co.		(2.5)		2,889,464
MO-1504A17	Lexington Reorganized SD R-U		(2.5)		23,220

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION 5 and 14(c)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Calif-405A17	Folsom-Cordova Jt., Unif. S.D.		(2.3)		200,900
Iowa-203B18	Burlington Comm. S.D.		(2.3)		85,800
Md-1A19	Bd. of Ed. Harford Co., Bel Air		(2.3)		546,550
N.J-1501A18	Washington Twp. Pub. Schs.		(2.3)		74,690
Md-1A17	Bd. of Ed. Harford Co., Bel Air		(2.2)		413,600
Ohio-15A17	Mad River Twp. L.S.D., Dayton		(2.2)		181,697
Ill-1404A17	Penfield Com. Consol. S.D. #224		(2.2)		2,025
Calif-47A17	Victor Valley Jt. U.H.S.D.		(2.1)		69,700
Ohio-1103A17	Heath City S.D.		(2.1)		27,930
Calif-1409A17	Buckeye U.E.S.D.		(2.0)		10,660
Conn-3A19	Town of Groton		(2.0)		307,458
N.Dak-501A17	Grand Forks Pub. S.D. #1		(2.0)		251,712
Ill-1506A20	E.S.D. #114, Manhattan		(1.8)		5,635
Kans-1603A18	Unif. S.D. #247, Cherokee		(1.8)		13,020
Ill-201A20	Comm. H.S.D. #123, N. Chicago		(1.7)		16,905
Calif-1516A18	Fountain Valley S.D.		(1.7)		111,150
Conn-3A18	Town of Groton		(1.7)		241,490
Calif-234A18	Livermore Valley Jt. Unif. S.D.		(1.6)		147,915
Tex-509A17	Pottsboro Common S.D. **		(1.6)		6,376

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTIONS 5 and 14(c)

gust 1974

Project Number	APPLICANT	Priority Tent.	Priority Firm	Funds needed Tent.	Funds needed Firm
CA-45A18	South Bay USD, Imperial Beach		(1.4)		65,835
RI-1A23	Middletown Pub. School		(1.4)		154,413
NM-12A19	Las Cruces SD #2		(1.4)		141,520
MO-1505A18	Hazelwood S.D.		(1.3)		148,740
CA-1203A17	Apple Valley S.D.		(1.2)		9,840
OH-429A19	Southeast Loc. S.D., Ravenna		(1.2)		22,910
CA-62A17	Seeley U.S.D.		(1.1)		6,396
IL-1603A19	Joliet Twp. H.S.D. #204		(1.0)		45,135
CA-1304A17	Manteca U.S.D.		(1.0)		206,000
RI-2A17	Town of N. Kingstown Sch. Dept.		(.9)		33,440
MI-2001A22	Watersmeet Twp. S.D. **		(.9)		4,864
VA-501B17	City of Newport News Sch. Bd.		(.8)		394,669
NY-409A17	Common S.D. #2, Blooming Grove		(.7)		39,537
CO-12A22	Harrison S.D. #2, Colorado Springs		(.6)		22,875
CA-40A19	Barstow Unif. S.D.		(.6)		11,457

* Application includes some pupils countable for payment due to connection with low-rent housing project assisted under United States Housing Act of 1937. Payment for such pupils may be made only after all other applications with pupils eligible under section 5(a)(2) or (3) have received payment (20 U.S.C. 633)

** Impact of federally connected pupils not related to military installations nor Indian lands.

ATTACHMENT A

TENTATIVELY INELIGIBLE APPLICATIONS SECTION 5

August 1976

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Ariz-73-C-901	Sierra Vista C.S.D. #68	Inelig.		(Request) 300,000	
Ariz-73-C-701	Sierra Vista Sec. S.D. #60	Inelig.		(Request) 360,000	
Calif-73-C-[illegible]37	Chula Vista City S.D.	Inelig.		(Request) 1,154,065	
Calif-75-C-905	Mariposa Co. U.S.D.	Inelig.		?	
Ill-71-C-1705	Central E.C.S.D. #104, O'Fallon	Inelig.		(Request) 65,000	
Ill-71-C-1902	Meridan Com. U.S.D. #101 Mounds	Inelig		(Request) 300,000	
La-74-C-3	Vernon Parish S.D.	Inelig.			
Nebr-73-C-1	S.D. of the City of Bellevue	Inelig.		(Request) 2,679,000	
NY-73-C-530	Peru Central Schools	Inelig.		(Request) 400,000	
NM-73-C-510	Cuba Independent Schools	Inelig.		(Request) 2,234,400	
ND-75-C-401	St. John S.D. #3	Inelig.		2,596,000	
Oreg-73-C-10	Eagle Point	Inelig.		(Request) 363,440	
S.Car-73-C-401	Berkeley Co. S.D., Moncks Corner	Inelig.		(Request) 967.163	
S.Dak-74-C-1001	Hill City ISD #10	Inelig.			
TX-74-C-69	Flour Bluff	Inelig.			
TX-74-C-806	Judson I.S.D.	Inelig.			

TENTATIVELY INELIGIBLE APPLICATIONS SECTION 5

August 1976

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
WA-74-C-3	North Kitsap S.D. #400	Inelig.			
WA-74-C-17	Bridgeport S.D. #75	Inelig.			
VA-74-C-1	City of Virginia Beach	Inelig.		REQUEST $20,000,000	
VA-73-C-17	Co. Sch. Bd. of Prince William County	Inelig.		REQUEST 3,082,500	
ILL-75-C-201	Community HSD #123, N. Chicago	I			
CA-75-C-905	Mariposa County Unified S.D.	I			
LA-74-C-3	Vernon Parish School Board	I			
NEV-75-C-603	Clark County School District	I			
MICH-74-C-4001	Baraga Township Schools	I			

COMBINED PRIORITY LISTING, SECTION 10, PUBLIC LAW 81-815

AUGUST 1974

Priority Index	No. of Applications Per Interval	No. of Applications Cumulative	Estimated Entitlement Per Interval	Estimated Entitlement Cumulative	Remarks
Group I - Repairs	2	2	530,251	530,251	
Group II - Transfer of Ownership to LEA	10	12	7,721,206	8,251,457	
Group III - Unhoused Pupil					
100 and above	-	12	-	8,251,457	
90-99.9	1	13	2,006,000	10,257,457	
80-89.9	1	14	4,543,197	14,800,654	
70-79.9	6	20	17,928,533	32,729,187	
60-69.9	2	22	3,187,210	35,916,397	
50-59.9	5	27	7,356,094	43,272,491	
40-49.9	3	30	5,295,000	48,567,491	
30-39.9	5	35	6,592,078	55,159,569	
20-29.9	11	46	6,977,536	62,137,105	
10-19.9	6	52	5,563,156	67,700,261	
0.1-9.9	3	55	1,260,201	68,960,462	
Group IV - Remodeling Needs "0" (Zero) Priority By FY of Application					
1967	1	56	688,900	69,649,362	
1968	1	57	523,000	70,172,362	
1969	5	62	1,742,409	71,914,771	
1970	-	62	-	71,914,771	
1971	10	72	2,255,410	74,170,181	
1972	9	81	6,596,479	80,766,660	

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION 10 PROJECTS
Public Law 81-815

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
	GROUP I - EMERGENCY REPAIRS				
AK-8A24	Kodiak Coast Guard Base		N/A		464,251
MASS-1A20	Fort Devens		N/A		66,000
	GROUP II - POTENTIAL TRANSFERS				
ALAS-4C20	Eielson Air Force Base		N/A		2,444,955
Alas-4A20	Eielson Air Force Base		N/A		1,357,103
Alas-4D20	Eielson Air Force Base		N/A		207,330
Alas-1B20	Fort Richardson		N/A		257,778
Alas-3A20	Elmendorf Air Force Base		N/A		314,265
Calif-12A21	Parker Dam	N/A		86,400	
Calif-8A21	Edwards Air Force Base		N/A		892,800
NY-7A22	Plattsburgh Air Force Base	N/A		1,015,575	
Calif-3A22	Mather Air Force Base	N/A		145,000	
Tex-3A23	Fort Hood	N/A		1,000,000	
	GROUP III - UNHOUSED PUPILS				
N.CAR-1A22	Fort Bragg		95.50		2,006,000
PR-2A18	Fort Buchanan		89.89		4,543,197
S.CAR-3A21	Myrtle Beach Air Force Base		79.34		2,039,500
MO-2A22	Whiteman Air Force Base		78.42		743,500
N.Car-1B22	Fort Bragg		75.46		2,168,350
Mass-5A20	Hanscom Air Force Base		73.17		4,347,183

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Del-1319	Dover Air Force Base		70.86		6,773,000
Va-1A20	Quantico Marine Corps Base		70.15		1,857,000
N.Y-1A20	West Point Military Academy		63.93		1,687,210
Ga-2A22	Robins Air Force Base	61.04		1,500,000	
Kans-1A20	Fort Riley	56.39		910,869	
Ariz-1A21	Williams Air Force Base	53.28		600,000	
N.Car-1C22	Fort Bragg		53.02		936,750
N.Car-1D22	Fort Bragg		50.80		3,366,780
Ga-1A21	Fort Benning		50.00		1,863,695
Mo-1A22	Fort Leonard Wood		46.74		4,980,000
Ala-4A20	Maxwell Air Force Base		40.12		113,000
Va-1A18	Quantico Marine Corps Base		40.06		200,000
N.Car-2A18	Camp Lejeune Marine Corps Base		38.4		1,291,558
Ariz-1VC21	Fort Huachuca		36.68		1,326,786
Va-1B20	Quantico Marine Corps Base	36.11		1,880,000	
S.Car-4A22	Fort Jackson	33.42		1,300,000	
Kans-1B20	Fort Riley	33.09		363,736	
Ala-2A20	Fort McClellan	29.27		414,000	
Tex-4A20	Lackland Air Force Base		28.24		676,720
N.Car-2A21	Camp Lejeune Marine Corps Base	28.33		593,278	
N.Car-2B18	Camp Lejeune Marine Corps Base		25.35		838,330
Tex-2A22	Fort Sam Houston	24.24		411,400	
N.Car-1F22	Fort Bragg		24.18		743,300
N.Car-2B21	Camp Lejeune Marine Corps Base	23.2		761,618	
N.Car-1G22	Fort Bragg		22.96		908,500

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Ala-4B20	Maxwell Air Force Base		22.36		289,000
N.Car-1H22	Fort Bragg		20.82		840,500
N.Car-1I22	Fort Bragg		20.82		7[illegible]0,090
N.Car-1J22	Fort Bragg		19.50		1,979,100
Kans-1C20	Fort Riley	19.31		372,1[illegible]0	
Ga-1B21	Fort Benning	17.60		303,000	
N.Car-2C21	Camp Lejeune Marine Corps Base	14.87		483,770	
Va-2A20	Fort Belvoir	12.13		287,600	
Mass-2A21	Westover Air Force Base		11.96		1,637,490
Kans-1D20	Fort Riley	9.17		326,966	
P.R-2A22	Fort Buchanan	4.61		609,735	
Ga-1C21	Fort Benning	4.32		263,500	
	GROUP IV - EDUCATIONAL PROGRAM REMODELING NEEDS				
N.Y-1B20	West Point Military Academy	-	-		688,900
Del-1A[illegible]9	Dover Air Force Base	-	-		523,000
Tex-2A20	Fort Sam Houston	-	-		499,000
Kans-1E20	Fort Riley	-	-	134,909	
Va-2B20	Fort Belvoir	-	-	500,000	
Va-2C20	Fort Belvoir	-	-	500,000	
Ky-2A20	Fort Knox	-	-		108,500
Ariz-10D21	Fort Huachuca	-	-		325,310
Ariz-10E21	Fort Huachuca	-	-	50,000	

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
Ga-1D21	Fort Benning	-	-	325,000	
Ga-1E21	Fort Benning	-	-	282,000	
Ga-1F21	Fort Benning	-	-	137,900	
Ga-1G21	Fort Benning	-	-	148,000	
Va-1C20	Quantico Marine Corps Base	-	-	560,000	
Va-1D20	Quantico Marine Corps Base	-	-	67,000	
Va-1E20	Quantico Marine Corps Base	-	-	73,000	
Va-1F20	Quantico Marine Corps Base	-	-	87,000	
Ky-1A22	Fort Campbell	-	-		87,978
Ga-2B22	Robins Air Force Base	-	-	150,000	
Ga-2C22	Robins Air Force Base	-	-	125,000	
N.Car-1B22	Fort Bragg	-	-		606,000
S.Car-4B22	Fort Jackson	-	-	25,000	
Ky-2B22	Fort Knox	-	-	300,000	
Ky-2C22	Fort Knox	-	-	1,543,000	
Mo-1B22	Fort Leonard Wood	-	-		1,329,[illegible]
P.R-2B22	Fort Buchanan	-	-	230,000	

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION

SUBSECTIONS 14(a) and 14(b)

August 1974
Revised: March 1974

* Latest application includes eligible or potentially eligible for payment in prior unfunded applications

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
AZ-74-C-413	Alchesay H.S.D.		197.8		3,551,824
Mont-76-C-5002	Pryor HSD #3		192.7		1,410,000
Mont-75-C-5001	Blaine Co. H.S.D. #50		190.8		1,458,333
Mont-75-C-15	Blaine Co. E.S.D. #50 Hays (W)		1[illegible]6.34		2,061,660
Mont-75-C-406	Lodge Grass E.S.D. #27	147.1		1,379,610	
Mont-75-C-5001	Fraser H.S.D. No. 2B		106.6		1,639,539
Mont-75-C-17	Fraser E.S.D. No. 2		106.4		472,024
Az-73-C-607	Kayenta E.S.D. #27 *(1970)		96.0		2,304,000
NM-73-C-402	Gallup-McKinley Co. Bd. of Ed. (Waiver - Navajo)		85.8		910,000
Az-74-C-517	Indian Oasis E.S.D.		80.3		5,768,749
MINN-69-C-403	I.S.D. #707, Nett Lake		78.9		89,500
AZ-73-C-[illegible]	Yuma S.D. #27, Parker		70.4		1,524,624
WA-72-C-4[illegible]	Taholah S.D. #77 *(1971)		67.9		773,835
NMEX-73-C-402	Gallup-McKinley Co. Bd. of Ed. (Waiver - Crown Point)		62.2		1,470,000
AZ-71-C-805	Union E.S.D. #62		61.6		117,000
MONT-73-C-3001	E.S.D. #28, St. Ignatius		56.4		592,240
MONT-73-C-14	Browning E.S.D. #9		51.6		1,092,000
AZ-73-C-14	Northern Yuma Co. U.H.S.D.		45.9		415,600
MINN-71-C-401	Redlake S.D.		44.0		773,280
AZ-72-C-1551	Apache Co. S.D. #15 Ganado		42.9		4,156,927
S.Dak-71-C-1001	Waubay I.S.D.		42.8		318,750
OKLA-73-C-3001	Pleasant Grove I.S.D. #5		37.4		109,358

ORDER OF PRIORITY INDICES AND FUNDS NEEDED

SUBSECTIONS 14(a) and 14(b)

August 1974

Project Number	APPLICANT	Priority		Funds needed	
		Tent.	Firm	Tent.	Firm
WA-71-C-28	Clallam Co. S.D.		32.2		667,705
AZ-73-C-904	Chinle Common S.D. #24		31.2		[illegible]
MONT-70-C-1801	Harlem H.S.D.		29.6		159,712
AZ-73-C-902	Whiteriver E.S.D. #20 *1973	22.8		2,852,460	
AZ-74-C-702	Tuba City H.S.D.	20.0		1,168,000	
KANS-70-C-1802	Mayetta S.D.		18.2		130,000
IOWA-69-C-1701	C.S.D. of South Tama Co.		13.8		219,800
WA-71-C-46	Wapato S.D. #207		13.5		456,750
UTAH-72-C-401	Uintah S.D.		13.2		916,000
OREG-70-C-13	Jefferson Co. S.D.		13.1		226,000
CA-71-C-619	Bishop Union S.D.		12.0		102,690
AZ-72-C-416	Tuba City E.S.D. *(1971)		10.8		1,638,750
NMEX-73-C-402	Gallup-McKinley Co. Bd. of Ed. (W. Tse Lee Bonito)		8.0		262,500
MONT-71-C-7	Ronan S.D.		2.6		1,400,000
NMEX-73-C-402	Gallup-McKinley Co. Bd. of Ed. (W. Zuni & [illegible])		1.8		70,000
ID-73-C-3	Blackfoot S.D. #55		1.4		440,000
(0) ZERO PRIORITY APPLICATIONS -- SUBPRIORITY ORDER ( ) DENOTES SUBPRIORITY					
MT-69-C-402	Mill Creek S.D. #34		(75.5)		42,000
WA-72-C-1902	Mt. Adams S.D.		(53.2)		450,000
NV-69-C-701	Elko Co. S.D.		(43.7)		170,000

ORDER OF PRIORITY INDICES AND FUNDS NEEDED SECTION SUBSECTIONS 1A(a) and 1A(b)

Project Number	APPLICANT	Priority Tent.	Priority Firm	Funds needed Tent.	Funds needed Firm
WA-72-C-512	Inchelium S.D.		(40.2)		49,506
N.DAK-74-C-503	New Town Pub. S.D. #1	(23.[illegible])		163,761	
S.Dak-74-C-3061	West River I.S.D. #18 *(197[illegible])	(19.5)		338,600	
MT-73-C-3002	H.S.D. #28, St. Ignatius		(13.8)		592,2[illegible]0
MT-69-C-6	Harlem E.S.D. #12		(9.3)		210,000
NMEX-69-C-406	Grants Mun. S.D.		(7.9)		783,264
WA-70-C-67	LaConner S.D. #311		(7.0)		91,440
WA-70-C-56	Marysville S.D.		(2.8)		286,900
CA-71-C-530	San Pasqual Valley U.S.D.		(0.6)		200,000
NV-69-C-406	Humboldt Co. S.D.		(0.0)		231,[illegible]
	TENTATIVELY INELIGIBLE				
MT-75-C-410	Hardin E.S.D. #17	I		1,680,000	
N.MEX-73-C-513 75C-401	Cuba Independent Schools	I		2,226,400	
MT-75-C-[illegible]01	Lodge Grass H.S.D. #2	I		?	

SATISFYING TOTAL REQUIREMENTS

Senator Montoya. Do you think there is a possibility to satisfy these requirements eventually?

Mr. Stormer. Total requirements?

Mr. Wheeler. It will require a substantial increase in the appropriation for this particular purpose.

Senator Montoya. How much, more or less?

Mr. Wheeler. We think we can supply an estimate for the record, Mr. Chairman, at the same time.

Senator Montoya. How much do you say, more or less?

Mr. Wheeler. I would say $300 million.

Dr. Bell. $300 million.

Senator Montoya. $300 million a year.

Dr. Bell. No, there is a backlog of $300 million.

Senator Montoya. As a matter of fact, many of them just quit applying, did they not? It takes too much manpower to file one of those applications and then have it bask in the sunshine of file 13 at HEW.

Is that not right?

Mr. Wheeler. Mr. Chairman, those applications are on the record and if the school district does want to renew that application, all it has to do is give us some more updated information and we would bring the application up to date. I think it is important that we concede that we are not meeting this need under Public Law 815. We have not met that need for years.

But on the other hand, as the Commissioner said before, this budget represents, reflects our view of what the priorities are given the amount of total dollars that we have. And so we have some increases and we have some decreases.

Senator Montoya. Oh, I appreciate that. You have to assign priorities on the basis of the funding that you are allowed by the Congress.

GENERATING JOBS THROUGH SCHOOL CONSTRUCTION

Now have you looked at this program from the standpoint of jobs generated? We have been talking about public service jobs to the tune of $2 billion, and we are going to provide jobs for white-collar workers and not family heads who work down at the factory and who lost their jobs and are now drawing unemployment compensation. We are going to provide lateral transfers for these white-collar workers from a $500 job to a $600 job. And many, and I would say most instances, and here we have a program, here we have a possibility of building school houses and generating some good public works jobs for family heads, and we are not doing anything about it and there is $2 billion going to be thrown down the drain. It will be expended in a period of about 6 or 7 months and then they will come back for not only $2 billion but probably $2 billion more besides that.

I do not know. I wish you people would tell those who are planning on these things downtown that now is the time to build schools and generate more jobs.

Mr. Dingeldein. Mr. Chairman, I would like to make one point on this subject aside from the question of budget priorities. Actually, trying to stimulate employment through this mechanism would be a very slow process because, as you know, construction projects often take a great deal of time to get off the ground.

Senator MONTOYA. That is correct but we have to have something in the pipeline because we are going to have this recession for about 2 or 3 years, and its not going to end in 6 months. So you should probably start planning on something like that now.

I happen to head the Subcommittee on Economic Development under the Public Works committee. We have been trying to authorize those public works for the construction of not only schools but public buildings and communities and vocational schools as well. And under this program we have built quite a few vocational schools and we do not have enough funding in that program, and the reaon we do not have enough funding is not because the Congress did not appropriate or was not willing to appropriate, but because the President threatened to veto. And so we had to negotiate with the people downtown how much would you accept in this authorization bill, how much you accept in this funding bill and then not have to veto the appropriation.

So we have been in that situation. We have got $350 million in the EDA public works bill for this fiscal year, and that is not enough to go around.

So now could you have started this program on 81-815 a year ago?

Mr. DINGELDEIN. Certainly, but I think the Commissioner has answered the basic question. It is a low priority as far as the Office of Education and the Department is concerned in terms of where we want to put our money.

ALLOCATION FOR FISCAL YEAR 1975 FUNDS

Senator MONTOYA. All right. How much of the $20 million you received last year or for this fiscal year have you expended and allocated?

Mr. STORMER. For last fiscal year all of the funds have been allotted of the $20 million towards construction under section 5 as well as under section 14—the two different subsections of 14(a) and 14(b). For the district serving the Indian children and section 5 for the district serving the military installations.

May I correct myself, sir, in that we have not made reservations of funds for section 5 at the present time. These will be done shortly. What we are trying to do is finalize the upper priority lists so the actual funds will be available.

Senator MONTOYA. You had something to say awhile ago.

Mr. BURNS. I think you talked about that.

Senator MONTOYA. Have we covered it?

Mr. BURNS. Yes.

Dr. BELL. That was the $300 million backlog.

Senator MONTOYA. I want it clearly understood that I am not trying to fault any of you people because I know that you are sympathetic to education, all of you, and please do not misconstrue my questions. I am trying to establish the same wavelength that you have been on, but I do not want to be under the austerity tent on basic needs for education.

TRIDENT PROJECT

Now what about the situation that might arise as a result of the Trident missile project in Washington State. There probably have been a lot of federally connected children there.

Dr. Bell. This has been a great problem.

Mr. Stormer. Basically, there have been discussions between personnel in DOD and the Office of Education as to how to administer the Trident programs. You understand there is an authorization as well as an appropriation that can take care of the educational requirements for the impact in the area. To my knowledge, there has not been agreement between the heads of the two agencies similar to the agreement we had when we entered into the Safeguard system arrangement.

I understand that this is being worked on.

Senator Montoya. When will you have a definite program?

Mr. Stormer. I imagine very shortly. We are in a stage in our discussions that we can begin to move as soon as the interagency agreement is worked out.

Senator Montoya. Will you inform this committee about it before we mark up the bill?

Mr. Stormer. Yes, sir.

Senator Montoya. Would you attempt to go to OMB for an additional allowance on this?

Mr. Stormer. No, sir, this is covered. Actually, the way the program is established is that the districts may file under 874 or 815. Where we do not have sufficient funds to cover construction under 815, then DOD, under their appropriation, transfer the funds to the Office of Education.

FUNDS NEEDED TO SATISFY CURRENT NEEDS

Senator Montoya. What do you feel you actually need on an orderly basis to start funding the 81–815 program on the basis of the applications on file and what you perceive to be current need?

Mr. Wheeler. Mr. Chairman, that would certainly involve some estimate of schedule by which plans could be completed for the construction which was being applied for. I think we can give you some information which might be useful to you. We would like to supply it for the record rather than make a speculation here which is bound to be more extravagant.

Senator Montoya. I assume that when you went to OMB for a stated sum that you had already evaluated the need under the 81–815 program.

Mr. Wheeler. Yes.

Senator Montoya. I assume that you have a continuing evaluation of need or estimate of need under the 815 program.

Mr. Wheeler. Yes. We know that the gross needs are $300 million or about there for the construction which has already been applied for. But, if we were to suggest to you how much money we would need during a particular fiscal year in order to meet that need, that would in turn involve what we would estimate to meet the schedules by which these various educational institutions would be ready to actually begin construction.

Senator **Montoya**. As a matter of fact, when they file their application they are ready to go into planning and design, are they not?

Mr. **Wheeler**. I think that varies from school district to school district.

Mr. **Stormer**. Yes, sir. Basically they have an idea of what their entitlement would be. If they would receive funds they would then proceed to design. In some instances they wait until they actually know what the funds are, and then do their educational planning, which is incorporated into a design and plan of the school facility. But there is no point in their proceeding beyond that until such time as funds become available to them.

Senator **Montoya**. That is right.

Mr. **Dingeldein**. Mr. Chairman, I just wanted to make one point clear; that when we went to OMB on this particular program, we asked for $10 million. That is all that we asked for in light of the priorities that we had.

Senator **Montoya**. In other words they convinced you and hypnotized you before you got there.

Mr. **Dingeldein**. You might say that. [Laughter.]

Senator **Montoya**. They are doing a pretty good job.

BILINGUAL EDUCATION

Now, we could spend a great deal of time arguing over the budget for bilingual education; but the simple fact is that you are asking for a reduction in the program from $85 million to $70 million. Also there is another infused reduction by means of the authorizing legislation which requires that a certain percentage be allocated to training. So, we have two tiers of reduction here—the budget tier and the programmatic tier. Why are you lowering the support for this program?

Mr. **Wheeler**. Mr. Chairman, in the priorities that have been set, it would seem a reasonable request for bilingual education. Now we do not mean to represent that this would serve the entire universal need.

Senator **Montoya**. No. Let me say that you are only satisfying about 3 percent of the need with this funding. There is no way that you can satisfy all the need with Federal money. I am trying to get the school districts in the local level to start participating in this program. This is really seed money, that is what it is.

Mr. **Wheeler**. Yes, that is true. That is the way, as a matter of fact, that we have approached the setting of this amount for bilingual education. Probably more crucial than anything else is the development of the capacity to respond to the needs of children who have a dominant language other than English; which is why we agree with these stipulations for the amount of money which has to be spent on the training of professionals who can begin to contribute to the educational program for bilingual students.

We are mindful also that the *Lau* v. *Nichols* decision does set the responsibility at the local school district level, so we think that there will be some activity there. We want to be in a position to have some support which will give them the professional educational capacity to respond to the requirements under *Lau* v. *Nichols*.

TEACHER TRAINING

Senator Montoya. Now, what are you doing in allocating this money for instruction for the training of teachers? Are you requiring that these teachers have the background and inherent capability to become good teachers, proficient teachers in the teaching of Spanish? Are you doing anything in that regard?

Mr. Wheeler. Yes. We are doing it in Spanish and we are doing it in other language areas also, Senator.

Senator Montoya. What are you specifically doing? Here is what I have in mind; that under the Headstart programs which required that teachers come in to teach these children, under the Headstart programs they were bringing in teachers from Texas into New Mexico who had taken 2 years of college over in Canyon, Tex., 2 years of Spanish, and they could not even speak Spanish to those Mexican children in New Mexico. I do not want the same thing to happen here; that you give some money to school teachers who go out and get a masters degree and major in Spanish and then come to the schools with a diploma indicating that they are a major in Spanish and that they can teach these children. I have seen that happen many times.

Mr. Wheeler. Well, we have the right to look at the application which school districts make for a bilingual education program. One of the components might very well be that activity which takes care of the training of the teachers who are going to be participating in that bilingual educational program. We now have a policy of intensifying our concentration upon that kind of capacity building components. We will be looking at the qualifications of teachers, the kinds of training opportunities which are being requested in that grant also, and then making a judgment about their quality. Beyond that we will be giving some traineeships, some fellowships to individuals, and also grants to universities to encourage them to improve the programs which they use to train teachers in bilingual education.

It would be well, if we could, to ask Dr. Molina to talk specifically about the plan, sir, if you have time.

Senator Montoya. You understand what I mean, do you not, Dr. Molina?

BILINGUAL EDUCATION TEACHERS

Dr. Molina. One of the requirements in the training of bilingual education teachers section of our regulations is placing priority on the training of bilingual teachers to become bilingual education teachers. We agree with you, Senator, that since we require programmatically instruction in academic subjects in two languages, it would be very difficult to teach a second language to a monolingual classroom teacher at this stage of the game. Therefore, we set a priority that bilingual teachers should be retrained to become bilingual education teachers. Thus they can teach reading, math, social science, science, et cetera, in a language other than English.

Mr. Rodriguez. In addition to that, Senator, if I may, the funding, the criteria which is specified for submission of applications, how applications will be evaluated—there is a higher point allocation to those applications which do include teachers who are in fact bilingual educators and have the kind of background that you are concerned with.

Senator MONTOYA. I do not mean to confine this to just people who learn to speak Spanish in the lower grades, because I know a lot of people who learn to speak Spanish who are what we call Anglos out in the West, Commissioner. They speak better Spanish than some of our natives. I would rather take instruction in Spanish from one of them than from some of our natives over there. So, I do not mean to foreclose them; but I certainly do not want this money to go down a rathole and wind up just developing a few bilingual teachers rather than more than a few.

Mr. WHEELER. Senator, we know that there is a great deal of concern about how the Office of Education is going to respond to this tremendous effort which will be needed in the area of bilingual education. I would like to have in the record some description of the additional effort that we are making with respect to the establishment of some centers, and also our general assistant centers.

I think Dr. Goldberg can described that to you.

Senator MONTOYA. All right.

TEACHER WORKSHOPS

Dr. GOLDBERG. I would be glad to do that, Mr. Chairman.

First, may I comment about your earlier reference to the fact that Federal seed money should, and in many cases does, spur State and local governments to put in their share of it. I want to mention here that 14 States now do have some sort of bilingual education on the State books, some of them backed up with money to supplement the policy.

I would also state that, fortuitously for me, just 3 weeks ago I was in San Antonio on a day when a workshop was being launched for 155 Anglo teachers paid for with State of Texas money, to take an intensive 8-hour per week course from Berlitz at a group rate. You might be interested to know that, were one person to go to this private school for instruction, the cost would be $2,300; for a course in Spanish with 155 teachers under contract to the State education department, it came out under $300 per teacher. I was fortunate enough to have the opportunity to give the opening address to these 155 teachers in regard to the new——

Senator MONTOYA. Were they going to teach in the schools?

Dr. GOLDBERG. They are present teachers in the schools.

Senator MONTOYA. Bilingual teachers? Were they proficient?

Dr. GOLDBERG. These teachers could not speak Spanish well. They had bilingual aides in their room. These were professional, certified teachers. Each one had an aide in his or her classroom. This course in Spanish was designed to improve the fluency and to give them better feeling for the language.

Senator MONTOYA. How many weeks were they going to take it?

Dr. GOLDBERG. 155.

Senator MONTOYA. 155 weeks?

Dr. GOLDBERG. I am sorry. I mean 155 teachers, 8 hours per week. I think the remaining weeks of the semester, 15 weeks.

Senator MONTOYA. Well, how could you develop bilingual teachers with a Berlitz course?

EXPANSION OF GENERAL ASSISTANCE CENTERS

Dr. GOLDBERG. I do not mention this as an illustration of the complete preparation of a bilingual teacher. I would say that in the armature of a teacher working in the area of bilingual education, proficiency in languages is one of the skills, and here was one of our States taking the initiative to do it with State money. The general assistance centers housed in universities throughout the Nation will be expanded to the number of nine with a portion of the additional $5 million that the Congress has made available under the Civil Rights Act. We have identified service areas, and universities will be applying as soon as the RFP is out for the opportunity to set up training programs for school systems responding to queries, problems they have after the *Lau* decision. Those should be in place by July 1.

In the interim, Dr. Bell has asked that a squadron be organized, a flying squadron, if you will, of competent people in the Office of Education in Washington, in our regional offices and in our university centers, to be able to go promptly to districts that call for help because of the concerns they have on the Lau problem. That list has been prepared, and should those calls start to come, we could organize teams on a day's notice.

Senator MONTOYA. You could develop some regional talent, too, to go in and do that.

Dr. GOLDBERG. We have included the regional office talent and the State education department talent, and the General Assistance Center talent in a large pool.

UNIVERSITY DEDICATION TO BILINGUAL EDUCATION

Senator MONTOYA. Most universities in the West are now dedicated to bilingual education.

Dr. GOLDBERG. Yes.

Senator MONTOYA. And they have departments that are really trying to infuse new blood into the bilingual education program. I do not know what they are doing in Utah. Can you tell me, Commissioner? I know you have quite a Mexican-American population there.

Dr. BELL. Yes; they really do. They have quite a lively center there now at the University of Utah. They are going to be applicants for funds under the Bilingual Education Act, and there will be—there is a great amount of increased momentum there in the last 2 or 3 years. I would say again, that that is largely through the efforts of this committee in getting this program going. It is satisfying to see some momentum after such a long time. I feel that our challenge now is going to be to use this money as wisely as we can to get a leverage effect on it through getting more State and local commitments.

LEVEL OF FUNDING

Senator MONTOYA. Can you tell me, after deciphering these figures, can you tell me at what level of funding we will come out, assuming that the $85 million, that the $70 million is appropriated, with the additional requirements under the authorizing legislation for teacher training?

Mr. **Wheeler**. Yes. At the $70 million level, there will be approximately $16 million going into training.

Now, if there is $85 million, there would be about $21 million going into the training program.

Senator **Montoya**. So, actually we are on an $85 million basis; we will be short $21 million on the basis of 1975 funding.

Mr. **Wheeler**. I am not up with your arithmetic, Senator.

Dr. **Bell**. The Senator is taking away the categorical money that in the past was available for projects, you see. What he said at the outset was——

Senator **Montoya**. $85 million was for projects, not teacher training. For the current fiscal year, we have that, do we not?

Mrs. **Beebe**. Yes, we have that $16 million. And in addition $2.8 million will be spent for bilingual vocational projects which are authorized for only 1 year and therefore could not be spent in fiscal year 1976, and of the training, the money for training. A number of those activities will be for 1 year efforts, so that the reduction in training from $21 million in fiscal year 1975 to $16 million in 1976 will not result in terminating support to any students who are enrolled in a training program.

Senator **Montoya**. Well, but on the basis of the $85 million in 1975 of which probably $21 million was for instruction, training?

Mr. **Wheeler**. Yes.

Senator **Montoya**. You had a net for programs of $64 million, whereas for 1976 you are asking for $70 million, of which $16 million has to go for instruction.

Mr. **Wheeler**. Yes, for training.

Senator **Montoya**. Yes, teacher training. So you wind up with $54 million, which is $10 million less for programs than you had in 1975. Is that correct?

Mr. **Wheeler**. Correct. That is correct, Senator. However, there was an $8 million supplemental which was appropriated which is also in that 1975 figure.

Senator **Montoya**. Well, we had a supplemental last year too. We have always had to come in through the back door with a little extra.

Mrs. **Beebe**. Could we supply for the record a table which shows the five major categories of activity under bilingual, and what we will spend under the $85 million, and what we will spend under the $70 million.

Senator **Montoya**. Yes, but do not include the vocational bilingual, will you, because that is a new program, and it is funded separately. It was for this year.

Mrs. **Beebe**. It was, but it was funded under the authority of the $85 million. Will we take that up?

Senator **Montoya**. Yes.

[The information follows:]

BILINGUAL EDUCATION, COMPARATIVE DISTRIBUTION OF ESEA, TITLE VII FUNDING, FISCAL YEAR 1975, BREAKDOWN BY COMPONENT

	Request	Appropriation
Classroom projects	$46,170,000	$53,370,000
Training:		
Inservice associated with above projects	9,900,000	11,100,000
Traineeships	2,500,000	3,900,000
Graduate fellowships	600,000	3,000,000
Program development, institutions of higher education	3,000,000	3,000,000
Subtotal	16,000,000	21,000,000
Materials development	7,000,000	7,000,000
National Advisory Council	100,000	100,000
Evaluation study	730,000	730,000
Bilingual vocational training		2,800,000
Total	70,000,000	85,000,000

Dr. BELL. I am concerned that Dr. Molina is the expert here and we are doing most of the talking.

Dr. MOLINA. Mr. Chairman, let me just add to that. In fiscal year 1974 we spent $55,017,000 for 283 classroom demonstration projects. At the 1976 budget request level we would have available $46.9 million.

MATERIALS DEVELOPMENT

Dr. MOLINA. The reason for the reduction to $46.9 million is the required set-aside of $16 million for training, $100,000 for the National Advisory Council, and $7 million for materials development.

Senator MONTOYA. You have $7 million for materials development?

Dr. MOLINA. Correct. And $100,000 for the National Advisory Council. Subtracted, that leaves $46.9 million for demonstration projects.

Senator MONTOYA. Then you add since 1974, you add about 22 percent inflation, and you are really cutting it down quite a bit. That would be another $9 million. So the constancy of the 1974 figure is whittled down to about $35 million. That is what is happening.

Now, let us realize this. We are going backward.

REQUIREMENTS FOR SEED MONEY

Now you tell me, Dr. Molina, how much you actually need for bilingual education for seed money at the same level that we had this current fiscal year.

Dr. MOLINA. Mr. Chairman, I have not calculated how much we would need, taking into account inflation or any other factors. Therefore I do not have that figure available at this time. I do know that to maintain our present program; to maintain the number of projects we have currently funded, we would need somewhere around $55 million, or thereabouts.

Senator MONTOYA. $55 million for the projects?

Dr. MOLINA. Yes. That is right.

Senator MONTOYA. Plus $7 million for the materials development research money.

Dr. **Molina**. That is right. We maintain that cost constant. We anticipate spending $7 million in 1975 and we anticipate spending $7 million in 1976. That would remain constant.

Senator **Montoya**. This $7 million would be used for centers and not for programs?

MATERIALS DEVELOPMENT CENTERS

Dr. **Molina**. That is correct. We are proposing to fund six materials development centers throughout the country, in multilingual centers. We expect to place these facilities in areas where experts could be housed to develop materials for youngsters.

Senator **Montoya**. Why do we have to have so many centers to develop these materials? Why do we have to have so many centers? Why can we not issue a contract to a university that has established its own role in providing the expertise for bilingual programs, and let them come out with the materials, instead of having all these centers proliferating all over the country?

Dr. **Molina**. Well, we are only talking about six centers, Mr. Chairman, and we have 42 languages in this program.

Senator **Montoya**. All right.

Dr. **Molina**. In addition, experts are found in different parts of the country. For example, in the Northeast we have French, Italian, Greek, and Spanish programs.

Senator **Montoya**. But we have universities which are already working on that, do we not?

Dr. **Molina**. Not to that extent, no, sir.

Senator **Montoya**. Well, we do in Spanish.

Dr. **Molina**. We have some.

Senator **Montoya**. We have some in Chinese in California.

Dr. **Molina**. We currently have two materials development centers operating with Federal funds. One is in Miami, Fla. We also have an Asian materials development center in Berkeley, Calif. Those are the only two major centers currently operating.

Senator **Montoya**. I think with $7 million you are going to establish quite a bureaucracy, and are going to continue these centers for years and years and years to come. Next year it will be $10 million; the following year it will be $13 million; then it will all be whittled out of the basic program funding which we have had up to this fiscal year.

Dr. **Molina**. I do not believe so, Mr. Chairman. I think that we can move from a grant mode into a contract mode in 1976, whereby we will request that specific materials be developed for specific grade levels. When that task is completed, that will be the end of that particular project. So, I think it can terminate when we have adequate materials available for the classroom.

Senator **Montoya**. I am concerned about the program funding; that is what I am concerned about.

Mr. **Wheeler**. Senator, I think that is important for us to make clear, that one of the needs, is to develop properly trained teachers in this program. We also have a need for the development of appropriate and useful materials which will help in the education of these children. It is an extremely large undertaking, so that while it might seem that the six centers which we are proposing to establish might be a large number, indeed, the job which has to be done is an extremely large job. As Dr. Molina indicated, we are talking about some 42 different languages. That is a sizable undertaking.

Now, you add to that, Senator, the fact that not only do these materials have to be developed, but we have to erect a system through which we can distribute these materials and get them to the local school districts where the children are so that they will be of some use in those children's education.

Our proposal here is to have some responsibility for the dissemination of these projects at some of the centers, and then some of the responsibility for the development of materials in other centers.

Senator MONTOYA. What kind of materials—instruction books?

Mr. WHEELER. Well, there are various kinds of materials. I think Dr. Molina can talk about that.

Dr. MOLINA. The materials we are proposing are basic textbooks and supplementary materials relevant to the various areas of the country. Primarily, we are talking about printed matter. I might add, Senator, that currently, up to this year, we have had 65 classroom demonstration projects who are developing materials, they lack coordination, scope, and sequence. So, to zero in on six major centers is our effort to consolidate this effort. We are really giving it a big push.

Senator MONTOYA. I am just very concerned because I happen to know that some of our universities are making great strides in trying to develop these programs. The University of New Mexico, and I think the University of California has; I do not know about Arizona. But it seems to me that they have developed enough expertise in this that they can come up with some solution. There are some textbooks already, is that not right?

Dr. MOLINA. Yes, that is right, particularly in the Spanish language, there are some available. However, in Samoan and in Cantonese, of course, we have nothing.

Senator MONTOYA. Are you going to have a center for Indians?

INDIAN LANGUAGES

Mr. WHEELER. I do not know if we are going to have a center, but there are 23 languages, Indian languages, that we are dealing with at the present time.

Senator MONTOYA. How are you going to cope with that? They are entitled to have some participation in this.

Dr. MOLINA. We currently have a Navajo material development center in Rough Rock, and we expect to expand that into a larger operation than it is today; hopefully, to include other Indian languages.

Senator MONTOYA. There are no textbooks for the Pueblos?

Mrs. BEEBE. In addition, the Indian Education Act, parts (b) and (c), there will be materials development projects supported there under the——

Senator MONTOYA. Under the Office of Education for Indians?

Mrs. BEEBE. Yes. This is heard by the Interior Committee.

Senator MONTOYA. Yes, I want to preside over that hearing.

Mrs. BEEBE. We will be funding projects there also.

Mr. Rodriguez. Senator, I am sure that you realize that in order to develop effective bilingual education programs, several components must be considered. Teacher training is the most important factor. *However, we cannot ignore the need to develop and test materials* for the implementation of that program.

Senator Montoya. I have no quarrel with that.

Mr. Rodriguez. Our thrust, of course, is to have demonstration kinds of activities going on where materials are being tested and developed, as well as centers in which too further develop materials in sequence and provide for the scope of languages, as well as to have a teacher training component in both inservice and preservice as well as teaching or preparing teachers to teach teachers, so that we have a comprehensive bilingual education program. The Federal Government is taking a major step in promoting the capacity of local school districts to manage their own personal needs.

BILINGUAL PROGRAMS IN DISTRICT OF COLUMBIA SCHOOLS

Senator Montoya. What are you doing for the Latin American population in the District of Columbia? Do they have any bilingual programs in the District of Columbia schools?

Dr. Molina. Yes, they do, Senator. They have had a program for some time now. It has been in the past solely supported by District funds. Last year, for the first time, they requested a grant, and we awarded them $129,500. They have three schools now with bilingual programs.

Senator Montoya. Are they satisfying the need?

Dr. Molina. I do not think any district can satisfy the total need.

Senator Montoya. These people need a crash program in Spanish here in the District of Columbia. They really do. Some are language deficient as far as the English language is concerned.

Now, what is being done for them?

Dr. Molina. To teach English to non-English speaking? That is part of our bilingual program. We not only teach in the native language, but we teach youngsters English as well.

Senator Montoya. I know you do, but what are you doing by way of preparing these Latins here, not only those in the lower grades that have come here and who cannot speak the English language. What are you doing for them by way of special instruction?

Dr. Molina. Well, Senator, I think we have pretty good programs in the primary grades, kindergarten through fourth grade.

Senator Montoya. Here in the District?

Dr. Molina. Everywhere. Where we need additional work is from the fifth grade on to the secondary school. We have virtually little material available to us for upper grade students. In the District, and particularly in Virginia, we have youngsters coming to us from all over the world. There are many languages that are being spoken and few heavy concentrations; youngsters are scattered throughout the District, creating a unique problem. We are currently meeting with school officials to work out some type of program that would be beneficial to these youngsters.

Senator Montoya. For the record, would you provide the subcommittee with a State breakdown of funds in 1975 and under your new budget request for bilingual education?

Dr. **Molina**. Mr. Chairman, we have not awarded 1975 moneys yet; that comes up in May. But we do have information available for the fiscal year 1974 funds.

Senator **Montoya**. Will you submit it to us after you make the allocation for 1975?

Dr. **Molina**. Fine. Yes, fine, thank you.

[Pause.]

Senator **Montoya**. I suggest that you include such a breakdown in all of your future justification material for bilingual programs.

Now the law requires you to establish an Office of Bilingual Education to report directly to the Commissioner. What is the status of your efforts to do this? I have been asking my staff to keep on checking every day on this. Finally, I just put a memo on my staff's bulletin board so I would not have to call on them every day.

[General laughter.]

Dr. **Bell**. Senator, maybe I should respond to that, if I may. First of all, we have been, needless to say, and I do not have to announce it to you, slower than we ought to be in moving on this.

Senator **Montoya**. You are practicing mañana in bilingual education.

[General laughter.]

Dr. **Bell**. We have been working on the regulations and trying to get that put in place. The Congress, I would have to say with some reluctance, I think was wise to put the deadline on us in getting the regulations out. All this has to be in place by the 15th of April. This has really built a fire under us, and this is a bit of an explanation.

Senator **Montoya**. They wanted to get your attention away from your income tax payment.

Dr. **Bell**. Right. And also, it is a bit of an explanation, and also maybe an excuse for our not moving on this more rapidly. But we have met in my office and have talked about this. We plan to have the Director of the Office of Bilingual Education report directly to me on all program activities. In addition to that we also plan to have the multibureau committee task force on bilingual education. We find that many of the programs that we have have implications for bilingual education. Some of title I programs ought to be building a bilingual component in vocational education that you are aware of. And in addition to the organizational placement of the bilingual education program reporting directly to me, we are also establishing this unit which will be headed by the Director of Bilingual Education to get adequate coordination of other program elements of the Office of Education, reporting also directly to me through this task force.

Senator **Montoya**. Well, this is a very important office, Commissioner.

Dr. **Bell**. It surely is, it surely is.

Senator **Montoya**. It involves about 10 million people.

Dr. **Bell**. I am aware of that, and we received the needle in the form of your letter signed by two of your colleagues that the Secretary bucked over to me. That has helped to move us. We will be back to you, and I think you will be pleased with the reports that we had on that.

Senator **Montoya**. How many people are working in this office?

Dr. **Bell**. About 40, I think 40 positions are authorized, and we have 35. I might point out that we have taken some cuts in staff in the Office of Education. I would like to allocate more staff to this office than we have, but I am not going to be able to do it under the present slot allocations that we have. If you look at a table of our total staff members, you will see an increase in staff members under the guaranteed student loan programs; but in programs like this you will see that we have suffered some cuts in our program allocation. So, we are going to be hard pressed to have a large enough staff there to move the program along as we should. It is going to get a much higher priority in our office than it ever has.

QUESTIONS SUBMITTED BY SENATOR MONTOYA

Senator **Montoya**. I have asked some questions here which will be supplied to you so that you may answer these questions and submit them to the Committee.

[The questions and answers follow:]

Question. Why was the assumption made in the justifications that the Rescission request would be approved by the Congress? Why is the fiscal year '76 request listed as an increase? The amount spent for programs is clearly a decrease from fiscal year 1974 spending.

Answer. In the fiscal year 1976 Congressional Justifications, the fiscal year 1975 base was considered to be the level after the rescission in all programs for which Congressional action on rescission requests was pending. It was the hope of the Administration that the Congress would respond positively to those requests in view of the inflationary pressures which prompted the requests in the first place.

The increase of $730,000 shown on the head table for Bilingual Education (page 34 of the Justification) results from making the fiscal year 1975 revised column *comparable* to the fiscal year 1976 request. For Title VII, an amount of $70,000,000 was requested for both fiscal year 1975 and fiscal year 1976. However, in fiscal year 1975, that amount included $730,000 to initiate an assessment mandated by Public Law 93-380. In fiscal year 1976, the Assistant Secretary for Education is requesting funds to continue this activity. No Title VII funds will be required this coming year. In showing the fiscal year 1975 revised level comparable to fiscal year 1976 request, therefore, the $730,000 was subtracted from the ESEA Title VII 1975 column and added to ASE's 1975 total. For Title VII, the result is that the 1976 request appears as a $730,000 increase.

In examining the 1974, 1975, and 1976 columns for bilingual education, analysis is complicated by several factors. First, $9,870,000 in fiscal year 1973 released funds was obligated for use in school year 1974–75. This, added to the fiscal year 1974 appropriation of $58,350,000, brought the total available for that school year to $68,220,000. Our request for $70,000,000 for fiscal year 1975 was $11,650,000 over the 1974 appropriation but, as is shown in the narrative and in the supplemental fact sheet on page 38 of the Justification, the increase in terms of academic year of impact (1975–76 over 1974–75) is only $1,780,000. The decrease in obligations for classroom projects which you refer to (from $55,017,000 in 1974–75 to $46,170,000 in 1975–76) results in part from the circumstance I just described and from the fact that, in 1975, we are putting additional dollars into training and materials costs to expand the basic resources for building bilingual education capabilities at the local level.

Question. Exactly how much money will Office of Education spend in fiscal year 1975 for programs? How much will be spent for training? How many programs would be phased out? How many would be cut? What would per pupil expenditure be under the OE plans?

Answer. Under our fiscal year 1975 revised request for $70,000,000 we would have spent $46,170,000 for classroom projects and $16,000,000 for training activities. These amounts under the appropriated level will increase respectively to $53,370,000 and $21,000,000. We had estimated a per pupil expenditure of $226, but with a larger sum available, we could increase this to $233. Of course, estimates of averages for a grant program are difficult to make. We shall have to wait and see what applications come in and revise these estimates as necessary.

We had planned to fund about 292 projects and now will support about 328 projects, including about 36 new ones. These levels include an estimate of not funding about 90 projects that had been funded previously. In some cases these projects will already have been funded for an extensive period and will have achieved the goals of the demonstration. In other cases, these projects may just not be of sufficient quality in the competition for grants. It is not now anticipated that any projects that are currently funded and are funded again in fiscal year 1975 will be cut, i.e., reduced in funding level, although each award is negotiated by our contract office and it is conceivable that given awards will be less than requested. I should point out here that under the new fiscal year 1975 regulations, all projects, whether previously funded or not, will compete with one another for available funds. The best 328 or so will receive awards. It is really very difficult for us to predict how many of these will be "new" and how many will have received Title VII money before and are therefore "continuing." These are estimates only.

Question. What authorization is being used for the $7 million planned for Materials Development Centers? If these Centers were established, where would they be located? Is geographical need being taken into consideration? Have local schools with ongoing bilingual education programs been consulted about the desirability of spending that much money—*all* of the research money authorized for research plus $2 million not authorized for research—for curriculum development centers? If program directors were consulted, did they indicate support for curriculum materials developed in these planned centers?

Answer. The amount to be used for materials development activities is not that authorized under Part C. No funds are being requested under that authorization. Rather, activity related to materials development, assessment, and dissemination is seen as authorized elsewhere. In fiscal year 1975, for this activity we are citing provisions in both the old law and in the new law. Section 704(a) and (c) of Public Law 90–247 authorize the development, dissemination and acquisition of bilingual education materials. In addition, in fiscal year 1976, when all of the new Part A of ESEA Title VII as amended by Public Law 93–380 goes into effect, we have section 721(a)(2) which allows grants for activities to facilitate and expand the implementation of programs, and section 721(a)(4) which authorizes certain activities leading to the development of bilingual education programs.

Centers are not authorized per se, but rather the law provides for a range of activities related to the improvement and wider development of bilingual education programs. These activities would most effectively be carried out in an organized fashion. We therefore have developed the concept of "centers" which will collectively address the need to develop good instructional materials, to assess them and those which have previously been developed, and to disseminate validated materials to interested LEA's whether Title VII funded or not. We believe this concept and activity is responsive to criticism by the Congress on the lack of model curricula, as stated for example, in Senate Report number 93–763 at 43.

It is planned at present to fund the centers as components of on-going LEA projects. Section 721(d)(2)(A) requires the equitable distribution of funds and this requirement is supported in the proposed regulations at 123.14(a) and (d). Accordingly, the centers will be established in areas of geographic and linguistic need.

The $7,000,000 planned for obligation in 1975 and again in 1976 is not a really large increase over the $5.8 million obligated for materials development activities in fiscal year 1974. What is significant is the new pattern in which this money will be spent. Instead of being largely divided among all the LEA projects for individual activity, the bulk of the funds will be targeted on a few sites which will perform development/assessment/dissemination functions that will benefit not only Title VII funded projects but any interested LEA.

The plan for centers is the result of several developments which pointed to the need for a coordinated effort regarding suitable instructional material for bilingual education: recommendations in field information from staff of bilingual education LEA projects; consultation with directors of special Title VII projects already working in the area of material development; and recommendations in the Office of Education's evaluation study entitled "Process Evaluation of ESEA, Title VII," prepared by Development Associates, Inc., of Washington, D.C.

Question. Why is the funding formula in Public Law 93–380 not being followed by the Office of Education in requesting money for fiscal year 1976? I would like a brief explanation of the pertinent section in the law which is being used to justify each of the areas of bilingual education spending: demonstration programs, teacher training, state education agency grants, and research and materials development.

Answer. Various activities have been authorized under the new ESEA Title VII, and the basic formula requirements regarding training levels and the advisory council have been incorporated into our request.

In fiscal year 1976, regarding demonstration programs (classroom projects), Section 721(a)(1) authorizes grants for the establishment, operation and improvement of programs of bilingual education. Such programs are defined in Section 703(a)(4)(A). Teacher training is authorized under Section 723.

At this time, we have chosen not to request funds for State Education agency grants authorized by Section 721(b)(3), nor is the Assistant Secretary for Education requesting funds for research authorized under Part C Section 742(a), (b), and (c)(1) or for materials development authorized in Section 742(c)(2) and (3). However, the Office of Education is requesting funds for materials development/assessment and dissemination under the authorities I just cited, Section 721 (a)(2) and (4).

Question. Is the Office of Education planning to ask for any appropriation for state education agency programs, as authorized? If not, why not?

Answer. It is our feeling that the money available to Title VII would best be spent for capacity building activities and for demonstrations. Therefore, we are not planning to request funds for State agencies at the present time. However, we shall reexamine this question in our fiscal year 1977 planning cycle.

Question. Is the Office of Education planning to ask for any appropriation for materials development or other research under Sec. 742 (E)—to be used by NIE?

Answer. The Office of Education is requesting $7 million for materials development/assessment/dissemination under authorizations other than Section 742 (E) as I outlined above. Funds appropriated to OE will be used by OE and not by NIE.

Question. The Education Amendments of 1975 were signed into law in August of 1974. Is there any reason why regulations were not published until last week? It has been extremely difficult for school districts or state education agencies to plan for school year 1975–1976. Why has this delay been necessary?

Answer. The delay you speak of is unfortunate but was due to several factors. First, not only are staff resources still limited but during much of the time that the regulations were being developed, many staff hours had to be devoted to processing applications for funds appropriated in the fiscal year 1974 $8,000,000 supplemental and available through December 31. In addition, the new law required activities not previously authorized, e.g. fellowships which required additional planning work. There were also problems associated with determining which parts of the law were effective for fiscal year 1975 caused by Section 105(a). Finally, 27 other regulations had to be prepared in the same time period. We had scheduled the publication of the proposed regulations for January. Although we proceeded as quickly as possible, this slipped to March. Even so we did come comfortably within the time period called for in Section 431(g) of the General Education Provisions Act (as amended by P.L. 93-380.)

We recognize that the delay has created problems for potential applicants but now that most of the problems associated with the development of the 1975 regulations have been resolved, the development of the fiscal year 1976 regulations should be expedited.

Question. Why is the Office of Bilingual Education, as established in Public Law 93-380, not yet in operation? Is there still an intermediary person in the administration between the Director of Bilingual Education and the Commissioner of Education? Why? What legal basis is there for continuing a situation which it was clearly the intent of the Congress to remedy?

Answer. The establishment of the Office of Bilingual Education is presently taking place. Under our approach, the Office of Bilingual Education would report directly to the Commissioner of Education for the purposes of programmatic orientation and policy guidance and receive from the Bureau of School Systems administrative support services (with respect to such matters as processing of documentation on personnel, travel, and the like). The purpose of this plan is to give effect to the expectation that the Office of Bilingual Education, and the vital program it administers, be given increased visibility and prominence while balancing our need to make maximum use of existing administrative services and resources. I anticipate the delivery of a Federal Register Notice to the Assistant Secretary for Administration and Management and publication in the near future.

Question. Regarding the implementation of Section 721(b)(3), the provision by which state education agencies may apply for grants up to 5 percent of the aggregate amounts paid to local agencies in the State, in order to develop and coordinate a staff program, the Office of Education has interpreted the law to mean that this section could not be implemented or funded until July 1, 1975. Yet the law clearly authorizes $7,250,000 for this section for the fiscal year ending June 30, 1975. Can you explain to me the reasoning of the legal counsel of the Office of Education in their interpretation?

Answer. Yes. Section 105(a)(2) of Public Law 93-380 defers the effectiveness of certain of the amendments to the Bilingual Education Act until July 1, 1975. Section 721(b)(3)(A) was regarded as being in that deferred category.

Question. Public Law 93-380 Sec. 721(c) states that distribution of funds under this Title shall be made by the Commissioner to give priority to areas having the greatest need for programs assisted by this Title. That should mean that programs would be funded with greatest priority in geographical areas with the greatest need. Yet New Mexico, which has the largest percentage of its school population being minority language children—larger than the percentage in any other state—has NO member on the Bilingual Education Advisory Council, is apparently NOT being considered as a location for a materials development center, if such centers are established, and has received form letter responses when the state education agency Director of Bilingual Education requested information concerning a state program under the new law. Exactly what information is being used by the Office of Education to determine numbers of children who need bilingual education assistance, and the geographical location of demonstration programs awards in relation to that need?

Answer. To get a picture of the geographical location of student populations in need of bilingual education, we rely on two major sources. Census data identifies what language is spoken in the home. We complement this with data obtained under Civil Rights Title VI authority which identifies ethnicity in geographical areas. Need is also a factor in the application for a grant award. In fiscal year 1975, applicants may receive up to 50 points (out of a total of 225) on criteria measuring relative need for assistance (123.14(a)(1).

Question. Who in the Office of Education recommended the decrease in spending for bilingual education? Who recommended the formula used in the justification, reducing the amount of money actually spent for demonstration programs to below $50 million? In the light of the demonstrated need, the civil rights implications of the Supreme Court ruling (*Lau* v. *Nichols*), and the obvious changes mandated by the Congress in 1974 in order to equalize educational opportunity for minority language children, why was the bilingual Education Act, Title VII, selected for a decrease in funding?

Answer. As you know, in fiscal year 1975, the Office of Education revised and doubled its request for ESEA Title VII from $35,000,000 to $70,000,000. This decision was made at the highest levels. However, because of inflationary pressures, we felt that we could not exceed this level in fiscal year 1976 and requested level funding. The "reduction" for classroom projects in fiscal year 1975 of which you speak resulted from (a) the obligation of some fiscal year 1973 funds for school year 1974-75 which has skewed the base figure higher; (b) our new emphasis on capacity building in addition to a maintenance of the demonstration effort and (c) the legal requirement to obligate $16,000,000 of the first $70,000,000 appropriated for training.

Question. What progress is being made on the report to the President and the Congress which is mandated in Sec. 731(c) of Public Law 93-380?

Answer. In October 1974, a Task Force was organized in OE to coordinate areas of responsibility and schedules of production for specific components of the mandated reports. The Task Force consist of representatives from the Division of Bilingual Education, the Office of Planning, Budgeting and Evaluation (OPBE) and the Office of the Commissioner, as well as a representative from the Office of the Secretary and of the Assistant Secretary for Education (including the National Center for Education Statistics). Under the direction of OPBE, the Task Force has so far produced a detailed assignment of responsibility for production of report components, and a work schedule in milestone format for the components to be produced by OPBE, NCES, and the Regional Liaison Office.

EDUCATIONAL BROADCASTING BUDGET CUT

Senator Montoya. Every year Congress says that educational broadcasting should be available to everyone, and every year HEW asks for less. What is your rationale for cutting the budget from $12 million down to $7 million?

Mr. Wheeler. Well, Mr. Chairman, let me respond to that. Mr. Burns can follow up with some of the details if necessary. Our budget request would raise the educational TV coverage to about 81 percent of the population, and raise the radio coverage to about 61 percent.

Now, to go the distance from 81 percent to 100 percent, coverage would cost about as much money as it has taken us to get to the 81-percent level. So in our educational broadcasting facilities that is our rationale.

Now, with respect to educational television programming, the——

Senator Montoya. Let us go into radio now.

You have quite a few areas or markets that are still not served and Albuquerque, N. Mex., is one. We have a list on page 4810 of last year's hearings. Now how are we going to satisfy those needs with reduced funding?

Mr. Wheeler. Mr. Chairman, our proposition is we can go as far as we can within the kind of budget stringencies that we have to adhere to. To go beyond these kind of percentages, we think the cost is just going to be too extravagant for us to get into it.

Now Mr. Burns, do you want to add some details to this?

Mr. Burns. Mr. Chairman, there is a new piece of legislation being requested in the Educational Broadcasting Facilities Act. The legislation has been submitted for consideration. This would look at the possibilities of utilizing satellites instead of the procedures that we are presently using, with ground stations. As Dr. Wheeler points out, the coverage for the remaining 10 percent would be equal to the original 90 percent. Our estimates are that to reach 90 percent both in television and radio would cost us $230 million in our present fashion, as contrasted with the possibilities of moving to satellite telecommunications techniques. That cost would be $130 million; and through that $130 million expenditures using satellites we would achieve 100-percent coverage. So, we are looking at more efficient ways of getting to the total population by finding better ways to provide the service.

Senator Montoya. What would be the effect of reducing it from $12 million to $7 million?

Mr. Burns. The effect at the present time, of course, is $7 million. We would be able to offer 26 project grants.

Senator Montoya. Instead of how many?

Mr. Burns. If we were operating at the $12 million, we would probably provide 45.

Senator Montoya. So, we are actually reducing the program then?

Mr. Burns. Yes.

Senator Montoya. You are cutting it almost in half.

Mr. Burns. Approximately.

Senator Montoya. What effect will that have?

Mr. Burns. There will be fewer new starts. For the $7 million we are anticipating that there will be 13 new programs operating in television, 3 of which will be new facilities, 10 of which will be improvements; and in the area of radio, 7 new starts and 6 improvements.

BILINGUAL EDUCATION—TELEVISION

Senator **MONTOYA**. How much do you propose to allocate for bilingual education in TV?

Mr. **BURNS**. That would come under a different program, other than facilities broadcasting. Dr. Goldberg has one of his programs operating in that area.

Mr. **WHEELER**. Senator, the only specific authority that Dr. Goldberg can talk to in this area is one where we have a competition for bilingual educational TV programs that are funded under Section 711 of the Emergency School Aid Act through a set-aside. These ETV grants, are all competitive. The applications are read not only by us, but by outside readers. We just do not have an authority, except where we are dealing directly with bilingual education under Title IV, where the Commissioner is authorized to us some discretion in making specific kinds of grants which go to specific kinds of needs. In this case it would be associated with desegregation activities.

Mr. **BURNS**. Senator Montoya, I should rectify my previous remarks for the two programs. $7 million is for broadcasting, and there is also $7 million for Educational TV—$5.5 million this year will go towards Sesame Street and the Electric Company through the Children's Television Workshop.

Senator **MONTOYA**. Compared to what for the current fiscal year?

Mr. **BURNS**. The same amount, $7 million.

Now that $7 million in 1976 will go to the Special Projects Act.

BILINGUAL EDUCATIONAL TV—ESAA

Senator **MONTOYA**. What is bilingual educational TV going to get under any of your programs?

Dr. **WHEELER**. Are you referring to the Berkeley Project?

Senator **MONTOYA**. No, you have been making some allocations for educational TV and bilingual.

Dr. **GOLDBERG**. Mr. Chairman, these come under the Emergency School Aid Act educational television set aside. We have had bilingual programs each of the last 2 years. In fiscal year 1975 there were $2.4 million worth of bilingual television programs out of the total $6.9 million.

Senator **MONTOYA**. Under what funding?

Dr. **GOLDBERG**. The Educational Television set aside of the Emergency School Aid Act.

Senator **MONTOYA**. What do you intend to do for next year?

Dr. **GOLDBERG**. That set aside is not included in the Administration's request for $75 million. There is a request to eliminate this set aside.

Senator **MONTOYA**. So what are you going to do with these TV programs, discontinue them?

Dr. **GOLDBERG**. They have multiyear lives. The video tapes are available for reproduction free of cost to school districts that send blank tapes to the reproducing center in Bloomington, Ind. The programs are being run and rerun on public broadcasting stations. They are not time-based. They do have a chance to be useful for several years.

Senator **Montoya**. But you are not funding them any more for this next fiscal year?

Dr. **Goldberg**. Under the budget request the educational television aside is not included.

Mr. **Dingeldein**. Mr. Chairman, no funds are requested under this specific authority. But I think one of the other witnesses pointed out that under the Special Projects Act there is authority to support educational television programing, including bilingual, or whatever.

Senator **Montoya**. Well, is there any intention to support bilingual programs under this other authority? That is what I am trying to find out—under this authority of which you speak or any other authority?

Dr. **Bell**. I think that would relate to what the outcome is on the Emergency School Aid Act and what the level of appropriation would be there.

Senator **Montoya**. Well there is no doubt that you are going to get more than you requested?

Dr. **Bell**. Yes.

Senator **Montoya**. Now, with that assumption, what are you going to do for educational TV?

Dr. **Goldberg**. Mr. Chairman, if we do get a continuation of the State apportionment program with the set asides in it, our office is geared to call for RFP's, which will include new efforts in bilingual and bicultural telecasting.

CHILDREN'S TELEVISION WORKSHOP

Dr. **Bell**. I would like to say, Senator' in my opinion we have got to hold the Children's Television Workshop appropriation to $4 million. It has spent $5.5 million, and we were compelled to spend $5.5 million this year. We are of the opinion that that program has been an enormous success, the Sesame Street—Electric Company program. We think they ought to continue to get support, but we think that our analysis of it, if we could hold them to $4 million rather than $5.5 million, we could have money for developing other programs. I am of the opinion that we ought to develop some other centers of strength of television programs of the magnitude that we have in New York for this one. If we could he successful in that, it would be helpful to us.

I might add that while I am speaking about this, I am also of the opinion that the Children's Television Workshop ought to be persuaded or compelled to make these programs available for use on video tape and video cassette where some schools are now going to individualize television with these little TV players. They now have a provision where they own and have copyright to these programs, and public moneys are paying a large part of their budget to build these programs.

I think that we ought to persuade them as long as this is happening that the public school districts ought to have free use of these programs, including on video tape as well as broadcast television. I have had quite a discussion with them on this. They feel strongly because of their union contracts and so on, that they ought not do that. I feel strongly that the school districts of this country ought to have free use of a program like Electric Company that is built for helping the teaching of reading. I have watched the sequences, and they are valuable; if a teacher can pull a video cassette off a shelf, just like using a book, and plug it in to one of these machines and use it for instruction, there is more flexibility than if the teacher has to wait for it to come on the air when it is originally scheduled on Thursday.

Senator **Montoya**. Who funds the center?

Dr. **Bell**. We fund the Children's Television Workshop, and the line item last year specified that we would spend $5.5 million, My analysis is that the other support they have and the great success that they have had as a nonprofit corporation, they are able to sell a lot of their materials. My own opinion is that $4 million would be sufficient for them. That would leave us $3 million.

Senator **Montoya**. What do they do with the additional revenue that they are getting?

Mr. **Bell**. I am not sure just what their budget is. They get a Carnegie Corp. appropriation. They have had Ford money, and they have had our appropriation; in addition to that they get money from the materials that they produce and sell—Sesame Street toys and many of these. I do not see them with a heavy development lull in the future that they have had in the past, building new programs.

Now, that is not to say that they do not have to continue to update and improve the programs. They need that support, and I think that their continued support is justifiable.

Senator **Montoya**. All right. What kind of programs do they have besides bilingual education?

Mr. **Bell**. They have only Sesame Street and Electric Company. Those are their two—I should not say only—but those are their two major efforts at the present time.

Senator **Montoya**. Do they modify those as they go along?

Dr. **Bell**. Yes; they change them each year a bit. Some of the tapes they play are almost identical, but they also update them. They have been a great success. I would say they are the most successful educational television programing effort that we have had in the United States.

Senator **Montoya**. On bilingual education?

Dr. **Bell**. The bilingual education has been a part of the Sesame Street package. I do not think that that component is as strong as it could be and it ought to be. But I also feel very strongly, and I would like to emphasize the point, that I do not think they ought to hold exclusive copyright to tell who can make copies of those as long as we are putting the public taxpayers money to it.

Senator Montoya. That is correct. What can we do about that?

Dr. **Bell**. If we can get some support from this committee, I think we could persuade them to relent from their position, which, in my opinion, is not a position that is in the best interests of where television is going. We are going to move more and more to individualized television with these new low cost machines now, so a teacher can use them just like any other piece of equipment they have in the school. You do not have to rely upon the television station to reach the school.

Senator **Montoya**. Could you submit some suggested language in the appropriation bill?

Dr. **Bell**. I surely would.

Senator **Montoya**. We would be glad to consider it.

Mr. **Burns**. Mr. Commissioner, I would be glad to add as part of the information that we have in our records, that $9.9 million would be received by the Children's Television Workshop this year for their purposes.

Senator **Montoya**. Who monitors their total expenditure?

Dr. **Bell**. We monitor our part of it, but we do not have control over the other part.

Senator **Montoya**. It is because of your part that they are in existence.

Dr. **Bell**. That is true. So we have our share of the monitoring control and responsibility.

Mr. **Burns**. The HEW auditing agency has completed an audit in the past year.

Senator **Montoya**. Has it been a favorable audit?

Mr. **Burns**. There are some serious questions in the audit, I understand.

Senator **Montoya**. Like what?

Mr. **Burns**. I do not have the details, Senator.

Senator **Montoya**. Would you submit that for the record?

Mr. **Burns**. Yes; I would.

[The information follows:]

The audit of Children's Television Workshops has not yet been completed. Upon its completion, we will be happy to supply a copy to the committee.

Dr. **Bell**. I would like to say for the record, I am expressing some concern about this, but I think they have been a tremendous success, and they need many compliments for the fine program that they have done. I think we should have a strong bilingual component in that program, and in addition to that, if we could limit the total amount that we spend there, we could have then more money to move in this other direction.

Senator **Montoya**. I do not see why we should spend taxpayers' money if they are going to sell their programs, and everybody who wants the program would be at their mercy.

Dr. **Bell**. It lets that be their private property, then I concede they are a nonprofit corporation, but they surely have been successful. They have been marketing a lot of materials which I would say are good educational materials. They manufactured Sesame Street toys.

EMERGENCY SCHOOL AID ACT

Senator Montoya. Now, the subcommittee just held supplemental hearings on the emergency school aid program. The situation is pretty much the same now. You still insist on ignoring the law and cutting the program by two-thirds. I do not think we have to cover the same ground again except to say that the Congress is hearing a good many things about the program. I have a copy of HEW's own evalation of the program, which praises its work, which will be placed in the subcommittee files.

Now, are you prepared to spend the money for this program once it is appropriated?

Mr. Wheeler. Senator, we have submitted what we think is necessary to take care of the emergency school aid activities which could be expected during the fiscal year. However, if our request is not approved and the committee sees fit to take another direction, we are prepared to carry out insofar as we can what those directions will be.

Now, it may, depending upon when the committee and the Congress acts, be necessary for us to ask for an extension of the obligational authority. At the present time, we have gone ahead according to what we are required to do in order to be ready to operate according to the mandates of this Congress.

Now, it should be known that our allocations are ordinarily not made until the fourth quarter of the fiscal year.

Dr. Bell. We will be hard pressed, Senator Montoya. Suppose the Congress finally decides that the dollar amount is $236 million. We will be hard pressed to process all the applications and meet the deadline of June 30 as the final time; because of the lateness on rescissions and so on has gone on, we may need an extension of the obligational authority. So, this may be something we will either discuss with you if the decision is made in the direction that it might very well go.

Mr. Wheeler. I might add to that, Mr. Chairman, that when those applications come in, they are reviewed by the Office of Civil Rights, to make sure that there are certain basic compliances in place. That takes time. So while we are in a position, I think, to respond if the Congress acts in a relatively short time, as the Commissioner has already said, there is a chance that we may have to ask for some extension.

Senator Montoya. Senator Brooke has submitted some questions, and I will in turn give you these questions so that you can submit answers.

Mr. Wheeler. Very good.

[The questions and answers follow:]

Impact Aid

Question. What is the effect of the so-called Meeds' amendment in last year's education bill? Could it have the effect of denying impact aid to some States because of unacceptable equilization formulas that substitute Public Law 81-874 dollars for local financial resources?

Answer. Public Law 93-380 (the Education Amendments Act of 1974), approved August 21, 1974, amended Section 5(d)(2) of Public Law 81-874 and added Section 5(d)(3) to the Act. Section 5(d)(2) of the Act, as amended, provides that except as provided in Section 5(d)(3), no payments may be made to any local educational agency within a State which takes into consideration payments under Section 5 of Public Law 81-874 in determining the eligibility of any local educational agency for State aid, or the amount of such aid, with respect to free public education during the fiscal year, or which makes such aid available in such a manner as to result in less State aid to any agency which is eligible for payments under the Act than if such agency were not so eligible. Section 5(d)(3) of the Act, which was added by Public Law 93-380, provides, that notwithstanding Section 5(d)(2), if a State has in effect a program of State aid for any fiscal year which is designed to equalize expenditures for free public education among the local educational agencies of the State, payments under the Act may be taken into consideration by such State in determining (1) the relative financial resources available to local educational agencies in that State and (2) the relative financial need of such agencies for the provision of free public education for children served by such agency, subject to the provision in such section. The Commissioner of Education currently is developing proposed Federal regulations to implement the

Section 5(d)(2) and (3) provisions. These regulations will be available for publication in the Federal Register within a few weeks. A period of thirty (30) days follows the initial publication within which interested parties may submit comments. All comments received will be considered in the development of the final regulations. States which have an equalization formula which qualifies under the definition contained in the final regulation will be allowed to take Public Law 81-874 receipts into consideration in allocating State aid to local educational agencies. The amount of Public Law 81-874 funds which may be taken into consideration will be the ratio of local revenues equalized under the State formula to the total local revenues of the local educational agency. The formula will be implemented on a case by case basis. No Public Law 81-874 payments may be made to any local educational agency in any State which does consider such payments in allocating State aid and which does not have an equalization formula which qualifies under the regulation as finally approved.

Question. How much additional will be needed for public housing impact aid? Are you trying to avoid funding this new Section?

Answer. It has been estimated that $259,200,000 will be required to fund eligible entitlements for low rent housing children in fiscal year 1976. The tier 1 funding schedule under Section 5(c) of Public Law 81-874, as amended by Public Law 93-380, provides that the Commissioner shall allocate to each local educational agency which is entitled to a payment under Section 3 for low rent housing children an amount equal to 25 percent of the amount to which it is entitled. No payments are authorized under tier 2 for low rent housing children. Any funds remaining after allocations have been made under tiers 1 and 2 shall be allocated among local educational agencies in proportion to unsatisfied entitlement. Based on the above amount $64,800,000 would be allocated under tier 1 and $194,400,000 would be allocated under tier 3 if the funds appropriated are sufficient to pay all entitlements. Data currently is being collected to refine the above estimate of $259,200,000. This information will be provided to the House Committee on Education and Labor, as soon as available. In answer to the second part of your question the Secretary of Health, Education, and Welfare, Mr. Caspar W. Weinberger, has submitted a draft bill, "To amend the program of financial assistance for local educational agencies in areas affected by Federal activity, and for other purposes," to the Honorable Carl Albert, Speaker of the House of Representatives, for consideration by Congress. This draft bill would provide Federal payments to each eligible school district in which impact aid provides more than five (5) percent of its previous year's total current expenditures. The payment rate for such districts would be similar to that contained in appropriation acts for the past two years: (1) 100 percent of entitlement for "A" children in school districts which have 25 percent or more of such category children, (2) 90 percent entitlement for "A" children in school districts having less than 25 percent of such children, (3) 68 percent of entitlement for "B" children and 100 percent for other sections of the Act. Entitlement for each school district would then be reduced by an amount equal to five percent of their current expenditures for the preceding fiscal year. The draft bill eliminates payments with respect to children residing in low rent housing projects.

EFFECT OF PRATT DECISION ON ESAA

Question. What effect do you anticipate the new decision by Judge Pratt will have on the need for ESA monies? When would you expect the full effect to be felt and what are you doing to prepare for it?

Answer. By December 1975, districts needing ESA funds as a result of the *Pratt* decision could be expected to apply. Fiscal year 1976 funds would be distributed on a priority basis with court orders, such as those in Judge Pratt's decision, receiving first priority; or some portion of the discretionary fund could be used for assistance prior to July 1, 1976 for late court orders.

Question. Of the States recently cited by Judge Pratt for moving too slowly on desegregation which ones did not use their allotment of ESA funds and which did?

Answer. The following chart is submitted in response to your question:

OBLIGATION OF FISCAL YEAR 1974 ESA FUNDS BY STATES CITED IN THE "PRATT" DECISION

State	Total apportionment	Total funds obligated	Reapportionment
Arkansas	$2,458,296	$4,080,748	+$1,622,452
Delaware	601,477	555,128	−46,349
Florida	8,237,552	11,435,896	+3,198,344
Georgia	7,708,681	11,232,134	+3,523,453
Kentucky	1,471,486	1,816,396	+344,910
Louisiana	7,375,768	8,415,120	+1,039,352
Maryland	4,616,025	3,113,927	−1,502,098
Mississippi	5,802,906	5,105,121	−697,785
Missouri	3,185,734	2,797,761	−387,973
North Carolina	7,652,845	10,659,966	+3,007,121
Oklahoma	1,936,903	3,438,478	+1,501,575
South Carolina	5,500,671	7,307,036	+1,806,365
Tennessee	4,025,818	4,660,601	+634,783
Texas	20,250,792	19,990,075	−260,717
Vriginia	5,544,246	7,657,404	+2,103,158
West Virginia	489,424	383,580	−105,844

REALLOCATION OF ESAA FUNDS

Question. Can a city with serious desegregation problems expect much help from the reallocation of ESA funds not used by other States?

Answer. Reallocation of fiscal year 1974 Basic Grant and Pilot Project funds redistributed $18,611,142 among the States having need for Basic Grant support through the several rounds of reallocation. It is, therefore, reasonable to project that a similar amount would be available in fiscal year 1976 for reallocation to States with districts having meritorious projects still waiting to be reached on the funding list for initial or additional funds.

ESAA DISCRETIONARY FUNDS

Question. Can it expect much help from the discretionary funds available under the full program?

Answer. Under the full program, approximately $12,447,000 million are available from the discretionary fund. The Commissioner could designate that a portion of such funds be used to assist districts with such characteristics as he might describe in a Federal Register notice.

Question. From which States were funds reallocated in fiscal year 1974 and fiscal year 1975? To which States was the redistribution made?

Answer. We have a chart that provides data by State, on reallocation of fiscal year 1974 ESAA State-apportioned funds. As of this date, we have not completed the fiscal year 1975 funding cycle; therefore, we cannot submit similar data regarding reallocation of the current fiscal year funds. The chart showing the reallocation of FY 1974 funds will be supplied for the Record.

Question. How much money is involved?

Answer. After completion of the fiscal year 1974 funding cycle, 32 States had monies remaining in their accounts amounting to $27,908,730. These funds were reallocated to 19 States that had exhausted their apportioned monies but which had outstanding meritorious projects to be funded.

Redistribution of FY 1974 ESA State Apportionment Funds, by State

State	Total Apportionment	Total Obligations	Reapportionment
Alabama	$ 6,047,699	$ 9,910,744	+3,863,045
Alaska	543,759	178,479	- 365,280
Arizona	2,926,225	1,998,915	- 927,310
Arkansas	2,458,296	4,080,748	+1,622,452
California	26,412,961	22,366,104	-4,046,857
Colorado	2,155,845	2,531,025	+ 375,180
Connecticut	1,653,915	2,676,710	+1,022,795
Delaware	601,477	555,128	- 46,349
District of Columbia	2,988,669	3,311,004	+ 322,335
Florida	8,237,552	11,435,896	+3,198,344
Georgia	7,708,681	11,232,134	+3,523,453
Hawaii	2,615,842	255,201	-2,360,641
Idaho	244,512	188,704	- 55,808
Illinois	10,984,892	5,418,286	-5,566,606
Indiana	2,731,672	2,205,190	- 526,482
Iowa	376,086	307,257	- 68,829
Kansas	987,517	796,485	- 191,032
Kentucky	1,471,486	1,816,396	+ 344,910
Louisiana	7,375,768	8,415,120	+1,039,352
Maine	114,520	0	- 114,520
Maryland	4,616,025	3,113,927	-1,502,098
Massachusetts	1,528,610	1,212,436	- 316,174
Michigan	6,802,671	6,147,842	- 654,829
Minnesota	580,827	1,669,867	+1,089,040
Mississippi	5,802,906	5,105,121	- 697,785
Missouri	3,185,734	2,797,761	- 387,973
Montana	340,384	434,341	+ 93,957
Nebraska	482,778	58,174	- 424,604
Nevada	408,683	333,924	- 74,759
New Hampshire	100,615	0	- 100,615
New Jersey	6,099,997	4,998,014	-1,101,983
New Mexico	2,956,033	2,636,971	- 319,062
New York	19,562,756	17,732,309	-1,830,447
North Carolina	7,652,845	10,659,966	+3,007,121
North Dakota	217,770	175,280	- 42,490
Ohio	6,453,579	2,510,824	-3,942,755
Oklahoma	1,936,903	3,438,478	+1,501,575
Oregon	525,502	429,374	- 96,128
Pennsylvania	6,426,540	5,255,513	-1,171,027
Rhode Island	262,076	773,448	+ 511,372
South Carolina	5,500,671	7,307,036	+1,806,365
South Dakota	340,799	507,189	+ 166,390
Tennessee	4,025,818	4,660,601	+ 634,783
Texas	20,250,792	19,990,075	- 260,817
Utah	475,262	443,588	- 31,674
Vermont	100,000	0	- 100,000
Virginia	5,554,246	7,657,404	+2,103,158
Washington	1,267,518	1,362,201	+ 96,683
West Virginia	489,424	383,580	- 105,844
Wisconsin	1,320,449	922,623	- 397,826
Wyoming	235,413	155,289	- 80,124
Total	$204,131,000*	$202,552,682*	

*The difference of $1,578,318 between the Total Apportionment and Total Obligations is being held under a contingency obligation pending settlement of temporary restraining orders for Memphis, Tennessee ($378,318) and Cincinnati, Ohio ($1,200,000).

Question. Explain your formula for determining which school district benefits from reallocation?

Answer. Section 705 of the Act sets forth the formula for determining which school districts benefit from reallocation. The subsections of Section 705 relevant to the formula used to redistribute reapportioned monies are as follows:

APPORTIONMENT AMONG STATES

Sec. 705(a)(1) From the sums appropriated pursuant to section 704(a) which are not reserved under section 704(b) for any fiscal year, the Assistant Secretary shall apportion to each State for grants and contracts within that State $75,000 plus an amount which bears the same ratio to such sums as to the number of minority group children aged 5–17, inclusive, in that State bears to the number of such children in all States except that the amount apportioned to any State shall not be less than $100,000. The number of such children in each State and in all of the States shall be determined by the Assistant Secretary on the basis of the most recent available data satisfactory to him . . .

(b)(1) The amount by which any apportionment to a State for a fiscal year under subsection (a) exceeds the amount which the Assistant Secretary determines will be required for such fiscal year for programs or projects within such State shall be available for reapportionment to other States in proportion to the original apportionments to such States under subsection (a) for that year, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Assistant Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amounts reapportioned to a State under this subsection during a fiscal year shall be deemed part of its apportionment under subsection (a) for such year.

(2) In order to afford ample opportunity for all eligible applicants in a State to submit applications for assistance under this title, the Assistant Secretary shall not fix a date for reapportionment, pursuant to this subsection, of any portion of any apportionment to a State for a fiscal year which date is earlier than sixty days prior to the end of such fiscal year.

(3) Notwithstanding the provisions of paragraph (1) of this subsection, no portion of any apportionment to a State for a fiscal year shall be available for reapportionment pursuant to this subsection unless the Assistant Secretary determines that the applications for assistance under this title which have been filed by eligible applicants in that State for which a portion of such apportionment has not been reserved (but which would necessitate use of that portion) are applications which do not meet the requirements of this title, as set forth in sections 706, 707, and 710, or which set forth programs or projects of such insufficient promise for achieving the purpose of this title stated in section 702(b) that their approval is not warranted.

A national cutoff score for each program category under ESAA is published in the Federal Register (see copy attached) prior to making funding decisions. At the appropriate time subsequent to making funding decisions based on the initial State Apportionment, a pool of money is assembled from unused amounts. A State Reapportionment table is built. Districts in States which were in Fiscal Hold because their State Apportionment had been exhausted were reached first. Then, leftover amounts were recomputed into another table and the next round of reapportionments were made and so on until all the necessary iterations were made to encumber all funds. Basic and Pilot Project grants take precedence over Nonprofit Organization (NPO) grants during Reapportionment.

We funded every Basic and Pilot Project grant application that was above the national cutoff score in fiscal year 1974.

In fiscal year 1974, a total of $10,220.553 remaining in the Pilot Project account was reallocated to Basic grants. Even after this had been done, there remained an unmet need of $1,950,000 for Basic grants. For this reason, there were no funds available for reallocation to the NPO category which had an outstanding need of $9,300,000.

JUSTIFICATION

Senator MONTOYA. We will put the budget justification materia for the accounts we have just heard in the record. Thank you.

[The justification follows:]

Justification

APPROPRIATION ESTIMATE

Elementary and secondary education

For carrying out, to the extent not otherwise provided, [the Environmental Education Act,]1/ *title I ($1,898,750,000), title IV, part C ($172,888,000) and title VII of the Elementary and Secondary Education Act; title VII of the Education Amendments of 1974; section 417(a)(2) of the General Education Provisions Act;* 2/ part IV of title III of the Communications Act of 1934; [the Cooperative Research Act; title IV of the Civil Rights Act of 1964; and section 222(a)(2) and title IX of the Economic Opportunity Act of 1964, $107,600,000 of which $12,000,000] *and part B of the Headstart-Follow Through Act,*3/ *$2,203,388,000 of which $7,000,000* shall be for educational broadcasting facilities and shall remain available until expended: *Provided, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1976, and shall remain available until September 30, 1977; title I ($1,898,750,000); title IV, part C ($172,888,000) of the Elementary and Secondary Education Act and section 417(a)(2) of the General Education Provisions Act ($1,250,000):* 4/ *Provided further, That amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1976, shall be available for carrying out section 822 of Public Law 93-380.* 5/

[For carrying out, to the extent not otherwise provided, title I, Part A ($3,702,762,000) Part B ($30,538,000) and Part C ($38,000,000), title III ($120,000,000), title IV, Part B ($137,330,000) and Part C ($172,888,000) title V, Parts A and C ($39,425,000), title VII and sec. 808 of the Elementary and Secondary Education Act; Part J of the Vocational Education Act of 1963; section 822 and section 823

($200,000) of Public Law 93-380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III-A ($2[illegible],750,000) of the National Defense Education Act of 1958, $4,358,2[illegible],000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976; title I, Part A ($1,882,212,000) Part B ($16,538,000) and title IV, Part B ($137,330,000) and Part C ($172,888,000) of the Elementary and Secondary Education Act, and section 417(a)(2) of the General Education Provisions Act ($1,250,000): *Provided further*, That the Commonwealth of Puerto Rico shall receive grants for the current fiscal year pursuant to sections 121,122 and 123 of the Elementary and Secondary Education Act of 1965 (as such Act exists on the date of enactment of this Act) in amounts equal to not less than the amounts received by the Commonwealth of Puerto Rico for the fiscal year ending June 30, 1974, pursuant to sections 103(a)(5), 103(a)(6) and 103(a)(7), respectively of the Elementary and Secondary Education Act of 1965 (as such Act existed immediately before the effective date of the amendments made to title I of such Act by the Education Amendments of 1974): *Provided further*, That none of these funds shall be used to compel any school system as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; or to assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin, except as may be required to enforce non-discrimination provisions of Federal law][6] *(Department of Health, Education, and Welfare Appropriations Act, 1975, Supplemental Appropriations Act 1975, additional authorizing legislation to be proposed for $7,000,000 for fiscal year 1976.)*

Explanation of Language Changes

1. Language has been deleted to omit reference to the activity, Environmental education, for which no funds are proposed in 1976.

2. Language is added to include references to the following activities: Grants for the disadvantaged, Support and innovation, Bilingual education, and an annual survey of children participating in Title I, which were included in the 1975 supplemental appropriation last year.

3. Language has been deleted to remove outdated authorization authority and the current authorization has been added.

4. Language has been added to spell out those activities which are to be advance funded.

5. A special provision is proposed to authorize the use of funds already appropriated by the Congress in P.L. 93-554 for 1976 to be reprogrammed in order to carry out a survey and study for updating the number of children counted for Title I as provided for in Section 822 of P.L. 93-380.

6. Language used in the 1975 Supplemental Appropriations Act is deleted.

Language Provision	Explanation
Provided further, That amounts appropriated for carrying out title I of the Elementary and Secondary Education Act in the fiscal year 1976, shall be available for carrying out section 822 of Public Law 93-380.	The Congress has already appropriated monies for title I as part of the advance funding in Public Law 93-554. The administration is proposing that $8,000,000 of the amount already appropriated be reprogrammed so that a study mandated by the law could be continued in 1976 to expand the current population survey in order to furnish current data for each State with respect to the total number of school age children in each State to be counted for the purposes of title I.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

Elementary and Secondary Education

Amounts Available for Obligation

	1975 Revised	1976	1976 Advance for 1977
Appropriation	$2,255,675,000	$2,340,718,000[1/]	$2,072,888,000
Proposed rescission	-35,856,250	---	---
Subtotal, adjusted appropriation	2,219,818,750	2,340,718,000	2,072,888,000
Comparative transfer to:			
"Emergency School Aid" for the transfer of Civil rights advisory services	-26,700,000	---	---
"Innovative and experimental programs" for the transfer of educational television programming functions	-7,000,000	---	---
"Library resources": for the transfer of libraries and instructional resources functions	-40,330,000	-137,330,000	---
"Salaries and Expenses" for the transfer of the Bilingual education evaluation	-730,000	---	---
Subtotal, budget authority	2,145,058,750	2,203,388,000	2,072,888,000
Unobligated balance, start of year	8,000,000	---	---
Total, obligations	2,153,058,750	2,203,388,000	2,072,888,000

[1/] Includes $2,072,888,000 1975 advance for 1976

Summary of Changes

1975 Estimated obligations	$2,188,915,000
Less: Proposed rescission	-35,856,250
Subtotal, 1975 Revised obligations	2,153,058,750
1976 Estimated obligations	2,203,388,000[1/]
Net change	+50,329,250
1976 advance for 1977	2,072,888,000

	1975 Base	Change from Base	1976 Advance for 1977
Increases:			
Program:			
1. Grants for disadvantaged	$1,876,000,000	$+24,000,000	$1,900,000,000
2. Support and innovation grants	131,638,750	+41,249,250	172,888,000
Total increases	---	65,249,250	---
Decreases:			
Program:			
1. Bilingual education:			
(a) LEA grants	52,840,000	5,940,000	---
(b) Training grants	16,880,000	880,000	---
(c) Materials development	7,450,000	450,000	---
(d) Advisory council	100,000	---	---
2. Follow Through	47,000,000	5,500,000	---
3. Equipment and minor remodeling	250,000	250,000	---
4. Environmental education	1,900,000	1,900,000	---
Total decrease	---	-14,920,000	---
Total, net change	---	+50,329,250	---

Explanation of Changes

Increases:

Program:

1. Grants for disadvantaged--The increase of $24,000,000 for 1976 has already been provided by the Congress as advance funding in 1975. For 1977, the same level of funding is requested as in 1976.

2. Support and innovation grants--The funds required to initiate this program in 1976 were provided by the Congress as advance funding in 1975. The amount provided is the minimum mandated by the law in order to trigger consolidation in the first year, i.e., the 1974 level for the programs consolidated. The funding level requested for 1977 is the same as in 1976.

1/ Includes $2,072,888,000 advance funding for 1976 appropriated in 1975.

Decreases:

Program:

1. Bilingual education--The decreases shown in 1976 for (a) Grants for LEA's, (b) Training grants and (c) Materials development result from showing 1974 carryover funds in the 1975 column. The total amount available--after the proposed rescission--for Bilingual education for 1975 was 730,000 less than is requested for 1976. However, the 1974 supplemental appropriation was available in 1975 and has inflated the base figure.

2. Follow through--The decrease of $5,500,000 for Follow through in 1976 shows the second step of the phase out of this program, the dropping of an additional grade.

3. Equipment and minor remodeling--This program is to be terminated in 1976 as its function of assisting private non-profit schools will be taken over by consolidation.

4. Environmental education--No funding is requested for environmental education in 1976 since State and local educational agencies can assume a greater share of the responsibility.

Obligation by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or decrease
Grants for disadvantaged.......	$1,876,000,000	$1,876,000,000	$1,900,000,000[1]	$+24,000,000
(1976 advance for 1977)..........			(1,900,000,000)	(---)
Support and innovation grants:				
(a) Consolidation grants	141,495,000	131,638,750	172,888,000[1]	+41,249,250
(1976 advance for 1977)..			(172,888,000)	(---)
Bilingual eucation:				
(a) LEA grants..	60,040,000	52,840,000	46,900,000	-5,940,000
(b) Training grants....	21,880,000	16,880,000	16,000,000	-880,000
(c) Materials development	7,450,000	7,450,000	7,000,000	-450,000
(d) Advisory council...	100,000	100,000	100,000	---
(e) Bilingual vocational training..	2,800,000	---	---	---
Right to read....	12,000,000	12,000,000	12,000,000	---
Follow through...	53,000,000	47,000,000	41,500,000	-5,500,000
Educational broadcasting facilities.....	12,000,000	7,000,000	7,000,000	---
Equipment and minor remodeling (loans)........	250,000	250,000	---	-250,000
Environmental education......	1,900,000	1,900,000	---	-1,900,000
Total obligations	2,188,915,000	2,153,058,750	2,203,388,000	+50,329,250
(1976 advance for 1977)			(2,072,888,000)	(---)

[1] Includes 1975 advance for 1976.

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Other services	$ 4,306,000	$ 3,306,000	$ 8,000,000	$ +4,694,000)
(1976 advance for 1977)			(---)	(-8,000,000)
Porject contracts....				
(1976 advance for 1977)..............	8,450,000	8,450,000	13,000,000 (5,000,000)	+4,550,000 (-8,000,000)
Investments and loans..	250,000	250,000	---	-250,000
Grants, subsidies and contributions	2,175,909,000	2,141,052,750	2,182,388,000	+41,335,250
(1976 advance for 1977)			(2,067,888,000)	(-114,500,000)
Total obligations by object.......	2,188,915,000	2,153,058,750	2,203,388,000	+50,329,250
(1976 advance for 1977)...........			(2,072,888,000)	(-130,500,000)

Authorizing Legislation

	1976		1976 Advance for 1977	
	Authorized	Appropriation Requested	Authorized	Appropriation Requested
Elementary and Secondary Education Act				
Title I, Part A..	$3,927,130,000	$1,855,962,000	$3,904,500,000	$1,857,500,000 2/
Title I, Part B..	175,000,000	16,538,000 1/	175,000,000	33,000,000 2/
Evaluation.......	19,500,000	8,250,000 1/	20,500,000	8,250,000 2/
Studies..........	Indefinite	9,250,000 1/	Indefinite	1,250,000 2/
Title IV, Part C.	350,000,000	172,888,000 1/	Indefinite	172,888,000 2/
Title VII, Bilingual education.	152,750,000	70,000,000		
Education Amendments of 1974				
Title VII, Right to Read........	109,500,000	12,000,000		
Head Start Follow Through Act				
Follow Through...	60,000,000	41,500,000		
Communication Act of 1934				
Title III, Part IV Educational Broadcasting projects.......	30,000,000	7,000,000		
Environmental Education Act				
Environmental Education......	10,000,000	---		
Alcohol and Drug Abuse Education Act Amendments of 1974				
Drug Abuse education...........	30,000,000	---		

1/ These monies were advance funded in 1975 for 1976.
2/ These funds were advance funded in 1976 for 1977.

Elementary and Secondary Education

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$1,388,510,000	$1,059,826,000	$1,059,826,000	$1,059,826,000
1967	1,248,464,000	1,248,464,000	1,248,464,000	1,221,464,000
1968	1,469,750,000	1,429,500,000	1,434,500,000	1,408,626,000
1969	1,466,663,000	1,284,753,000	1,399,626,000	1,326,753,000
1970	1,400,143,000	1,600,601,000	1,617,226,000	1,494,514,000
1971	1,533,472,000	1,709,672,000	1,750,465,000	1,722,672,000
1972	1,770,023,000	1,762,323,000	2,013,023,000	1,900,523,000
1973	1,912,628,000	2,120,668,000	2,149,668,000	2,178,358,000
1974	1,880,003,000	2,12[illegible],393,000	2,150,393,000	2,040,285,000
1975	2,176,225,000	2,1[illegible]8,225,000	2,209,225,000	2,200,225,000
1975 Proposed rescission	-35,856,250			
1975 Advance for 1976	2,072,888,000	2,072,888,000	2,052,888,000	2,072,888,000
1976	130,500,000			
1976 Advance for 1977	2,072,888,000			

Justification

Elementary and Secondary Education

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Grants for disadvantaged................	$1,876,000,000	$1,876,000,000	$1,900,000,000	$+24,000,000
(1976 advance for 1977)...............			1,900,000,000	(---)
Support and innovation grants.........	141,495,000[1]	131,638,750[1]	172,888,000	+41,249,250
(1976 advance for 1977)...............			(172,888,000)	(---)
Bilingual education..	92,270,000	77,270,000	70,000,000	-8,000,000
Right to read.........	12,000,000	12,000,000	12,000,000	---
Follow through........	53,000,000	47,000,000	41,500,000	-5,500,000
Educational broadcasting facilities.....	12,000,000	7,000,000	7,000,000	---
Equipment and minor remodeling.........	250,000	250,000	---	-250,000
Environmental education...............	1,900,000	1,900,000	---	-1,900,000
Total.........	2,188,915,000	2,153,058,750	2,203,388,000	+49,599,250

[1] Includes amounts appropriated for all programs in the consolidation.
[2] Includes $8,000,000 from 1974 supplemental carried forward into 1975.

General Statement

The overriding objective of this appropriation is to foster equal educational opportunity through the support of supplementary education services and capacity building activities to increase the ability of state and local education agencies to offer effective and efficient programs. Over 6,300,000 disadvantaged students will be provided supplementary services under ESEA I. Follow Through and Bilingual education will continue to develop, evaluate, and demonstrate more effective education practice and Right to read will continue through a variety of strategies to encourage the elimination of illiteracy in this country. A second objective of this appropriation is to more efficiently deliver financial resources to the states through grants consolidation.

Major emphasis in 1976 for this appropriation will be the implementation of two new concepts, the advance funding provided for Titles I and IV of the Elementary and Secondary Education Act and the Consolidation of four categorical programs under the authority of Title IV of the Elementary and Secondary Education Act. Under the advance funding concept, the Congress has already appropriated monies to operate Title I in 1976 at the $1,900,000,000 level and to operate the consolidation of Strengthening State departments of education, Supplementary services, Nutrition and health and Dropout prevention at a level not below what the total of these four accounts received in 1974, $172,888,000. Both of these new concepts were authorized by the passage of the Education Amendments of 1974, P.L. 93-380 enacted into law in August 1974.

This new legislation also impacted on Bilingual education. In addition to continuing classroom demonstrations, the amendments gave new focus to the creation of resources to facilitate the ability of local educational agencies to provide equality of opportunity for children of limited English speaking ability. Specifically, a minimum of $16,000,000 of the first $70,000,000 is to be focused on training. The law also considerably expands the kinds of training that will lead to degrees or credential awarding in Bilingual education. Title VII of the 1974 amendments extended and revised the Right to read program to stress direct Federal support.

Finally this budget reflects the passage of the Headstart-Follow Through Act and the extension and refinement of its requirements.

The 1975 base column reflects a proposed rescission of $35,856,250 from the amount provided by the Congress. This rescission has already been presented to the Congress and this budget reflects the hope for approval of the rescission.

16	1975 Estimate	1975 Revised	1976 Estimate	1976 Advance for 1977
Disadvantaged Grants				
(a) Grants to local educational agencies......	$1,587,131,197	$1,587,131,197	$1,619,962,000	$1,550,500,000
(b) Grants to State agencies......				
(1) Migrant children..	91,953,160	91,953,160	100,000,000	150,000,000
(2) Neglected and delinquent.....	26,820,749	26,820,749	27,000,000	28,000,000
(3) Handicapped	88,927,175	88,927,175	99,000,000	109,000,000
(c) Special incentive grants...	14,000,000	14,000,000	16,538,000	33,000,000
(d) Special grants to urban and rural schools.	38,000,000	38,000,000	---	---
(e) Grants for State Administration	19,315,021	19,315,021	20,000,000	20,000,000
(f) Evaluation......	6,400,000	6,400,000	8,250,000	8,250,000
(g) Studies.........	3,450,000	3,450,000	9,250,000 1/	1,250,000
(h) Undistributed...	2,698	2,698	---	---
Total......	1,876,000,000	1,876,000,000	1,900,000,000	1,900,000,000

1/ Includes $8,000,000 to be reprogrammed for a study with the Department of Commerce for updating the number of children counted under Title I.

Narrative

Program Purpose

To meet the added costs of educating disadvantaged children, Title I provides several types of assistance: 1) formula grants to local educational agencies with large numbers of children from low-income families (Part A LEA grants); grants to State education agencies for programs directed at neglected and delinquent children, children of migrant families, and the institutionalized handicapped (Part A SEA grants); 3) incentive grants to States spending more on education than the national average (Part B grants); 4) funds for State administration and 5) funds for program evaluation and studies.

These disparate activities have a common goal--to pay supplementary costs or otherwise improve the education of disadvantaged children. Funds for these special services are provided on a formula basis. The program is authorized by Title I of the Elementary and Secondary Education Act of 1965, as amended by the Education Amendments of 1974, P.L. 93-380.

The largest component of the Title I program, the grants to local educational agencies, supports a variety of educational programs and services concentrated upon the most disadvantaged children within a local education agency. These projects are planned and operated by the local education agency and approved by the State departments of education. Emphasis is placed on increases and attainment.

The formula for distributing Title I local education agency grants was changed by P.L. 93-380. Allocations are now made on the basis of: 1) the number of children in poor families in 1970 based upon the "Orshansky" poverty index[1/] 2) two-thirds of the number of children from families receiving AFDC payments (updated annuallyP in excess of the poverty level for a non-farm family of four, and 3) institutionalized neglected and delinquent children and foster children supported with public funds. Basic Title I grant entitlements to local school districts are computed on a county basis by multiplying the number of eligible children by 40 percent of the State's average per pupil expenditure (or not less than 80 percent nor more than 120 percent of the national average per pupil expenditure). Grants are ratably reduced to the amount available except that no school district receives less than 85 percent of its prior year allocation.

The special incentive grants of Part B are available to those States whose effort index--a figure developed by dividing the expenditure of educational funds from State and local sources by total personal income--is greater than the national effort index. Funds are made available by the States to those school districts which have the greatest need for assistance. The grants are approved in amounts relating to the district"s respective needs. Only those projects which are deemed to be innovative by the State educational agencies are approved. No State is entitled to more than 15 percent of the total amount for Part B. In FY 1975, 22 States were eligible for special incentive grants ranging from an estimated $35,758 for Iowa to $2,100,000 for both Michigan and New York.

Title I requires that State Agency programs be funded at their maximum authorization. Grants to LEAs under Part A are ratably reduced to the amount remaining after the authorizations for the State Agency programs have been set aside. The amounts for the State Agency grants, therefore, must be deducted from the $1,900,000,000 appropriated for fiscal year 1976 and requested for fiscal year 1977. In addition, Part B grants in accordance with the statute share with Part A in the appropriated funds above the $1,396,975,000 base and are also ratably reduced.

The $16,538,000 for Part B in school year 1975-76 was restricted by language in the appropriation act. The school year 1976-77 request of $33,000,000 represents the amount derived by the formula.

Plans for fiscal years 1975 and 1976

(1) Grants to local educational agencies under Parts A and B

	1975 School Year 1975-76	1976 School Year 1976-77	Increase or Decrease
Amount requested...	$1,619,962,000	$1,550,500,000	$-69,462,000

Plans for fiscal year 1976 (School Year 1976-77)

The $1,900,000,000 requested in fiscal year 1976 for advance funding includes $1,550,500,000 for grants to local educational agencies. These funds will continue to be spent for the special educational needs of educationally deprived public and non-public school children living in low-income areas, institutionalized neglected and delinquent children supported by LEAs, and Indian children in BIA schools. The money will be concentrated upon schools most heavily impacted with poor children.

[1/] A poor non-farm family according to the "Orshansky" index is one whose income ranges from less than $1,840 with one child to less than $6,101 with seven or more children. A poor farm family's income covers a range from less than $1,569 with one child to less than $5,182 with seven or more children.

Local educational agencies, the neglected and delinquent institutions and BIA schools will strongly emphasize instruction in reading, the language arts and mathematics primarily from kindergarten through the sixth grade. Individualized instruction will be provided by the use of specialized instructional staff and teacher aides. Inservice training of teachers and teacher aides and parental involvement will also be maintained to increase the educational effectiveness of projects. The decrease in funding for local educational agencies even though the total for title I remains constant occurs because the State agency totals increase.

Plans for fiscal year 1975 (School Year 1975-76).

School year 1975-76 will be the first year of advance funding for the Title I program. The funds will provide support for an estimated 5.6 million children in almost 14,000 school districts. An estimated 57 percent of the funds will serve children in grade levels 1-6, 22 percent in grades 7-9, 15 percent in grades 10-12 and 6 percent in pre-school and kindergarten. Continued emphasis will be placed upon operating classroom projects where 1) available funds are concentrated upon relatively few eligible children to achieve performance objectives; 2) the number of pupils in a classroom is maintained in the 15 to 25 range with a specialized instructor or teacher aide provided for more individualized instruction; 3) an adequate needs assessment is conducted of the specific educational needs of the children to be served; 4) project design and objectives (in terms of measurable pupil performance) are relevant to the needs of the pupils and supplementary to the regular school program, 5) on-going project evaluation is maintained in each project to discover correctable project weaknesses, and 6) parents are involved in planning, implementing and evaluating projects to maintain cooperation between the school, the family and the community to achieve improved academic performance of participating children.

Title I also provides services for the priority needs of educationally deprived non-public school youngsters. About 400,000 children of the estimated 5.6 million Title I participants in school year 1975-76 will be in attendance at non-public schools. Efforts will be made to insure that such children receive comparable benefits.

Programs involving institutionalized neglected and delinquent children supported by local educational agencies and handicapped children attending local schools are eligible to receive educational services by means of Title I grants to local educational agencies. An estimated 68,000 neglected and delinquent children in 1,500 institutions located in local educational agencies and over 10,000 handicapped children will participate in Title I programs in school year 1975-76.

Federal schools in 16 States operated by the Bureau of Indian Affairs for Indian children annually receive Title I funds under legislative authority of the Elementary and Secondary Education Act. In school year 1975-76 an estimated 33,000 Indian children will participate in 183 Title I projects located at 218 BIA schools at an average cost per child served of $532 for a total cost of $17,567,233.

(2) Grants to State Agencies

(a) Migrant Children

	1975 School Year 1975-76	1976 School Year 1976-77	Increase or Decrease
Amount requested......	$100,000,000	$150,000,000	$+50,000,000

School year 1976-77

The advanced funded appropriation for school year 1976-77 of an estimated $150,000,000 for the education of migrant children involves a $50,000,000 increase over the amount advanced for school year 1975-76. This increase results from a change in the statute. Under Section 122 of Title I as amended by P.L. 93-380, formerly migratory children who are no longer migrant must be included for a period not in excess of five years in the formula for determining State allocations. An estimated 700,000 children, an increase of 200,000 children over school year 1975-76 will participate in the program in school year 1976-77. These children will be served in an estimated 2,800 LEAs, an increase of 400 LEAs over 1976.

During school year 1976-77 the five priority activities developed in school year 1975-76 will become fully operational in migrant projects throughout the Nation. Improvements will also be made in such areas of interstate coordination as testing and the development of educational materials.

School Year 1975-76

Funds for State educational agencies responsible for the education of migrant children in school year 1975-76 will provide services for approximately 500,000 children in 48 States and the outlying areas, or about $200 per child.

Migrant educational services will involve the participation of an estimated 2,400 local educational agencies. As a result of the new legislation program services will be extended to include children of migratory fishermen and migratory children in Puerto Rico.. .

The migrant program will have five national priorities in school year 1975-76: 1) expand participation and programs for migrant students at the secondary school level including a) tutorial assistance during and after school; b) after school programs during regular and summer school, c) prevocational, vocational and career awareness and development programs; 2) expand existing programs for non-English speaking migrant children by a) more accurately assessing oral language skills, and b) prescribing bilingual approaches to meet the needs of the various migrant populations; 3) encourage all State educational agencies and their LEAs to increase the participation of parents in every migrant project; 4) develop procedures for listing on the Migrant Student Record Transfer System reading and mathematical skills acquired by migrant children and for encouraging teachers to use such data in planning reading and mathematics instruction for their children; and 5) develop compatability among the States regarding the accrual and awarding of secondary school credits for migrant students' high school diplomas.

(b) Neglected and Delinquent Children

	1975 School Year 1975-76	1976 School Year 1976-77	Increase or Decrease
Amount requested.......	$27,000,000	$28,000,000	$+1,000,000

School year 1976-77

The fiscal year 1976 request of $28,000,000 for use in school year 1976-77 is an increase of $1,000,000 over the advance appropriation for school year 1975-76. This change results from a slight incrase in the State per pupil expenditure rate upon which the formula is based plus a small estimated increase in the number of children counted for entitlement. The additional funds will result in an estimated increase in the average cost per participating child of $20 (from $540 to $560 in school year 1976-77. Renewed efforts will be made in school year 1976-77 to expand

and improve the educational programs for institutionalized children and return them to their families and communities with better attitudes towards education, society and themselves. Programs will stress more relevant curricula based upon sound needs assessment, performance objectives, extensive individualized instruction, and guidance and counselling to help the youngsters when they return to their community schools.

School year 1975-76

An estimated 50,000 institutionalized neglected and delinquent children in approximately 1,500 State operated or supported institutions will receive educational support from Title I in school year 1975-76 at an average cost per child of $540 Most of the money will be spent upon reading, language arts, mathematics and guidance and counselling and perhaps 25 percent will receive in-depth testing and diagnosis of all of their physical and psychological needs. Also, institutional teachers will work regularly on a one to one basis with youngsters in the classroom and after hours tutoring them as an integral part of many programs.

(c) Handicapped Children

	1975 School Year 1975-76	1975 School Year 1976-77	Increase or Decrease
Amount requested.......	$99,000,000	$109,000,000	$+10,000,000

School year 1976-77

The fiscal year 1977 request of $109,000,000 is an increase of $10,000,000, generated by ADA count on a revised formula at a lower per pupil expenditure rate. In fiscal year 1977 program activities will be similar to those in1976, with the exception that more handicapped children formerly in State agency programs will be participating in special education programs at the local level, while the State institutions will be picking up those children previously on waiting lists and the more severely handicapped.

School year 1975-76

An estimated 185,000 handicapped children in approximately 3,500 schools and 150 State agencies will receive educational support from P.L. 89-313 in fiscal year 1976 at an average cost per child of $535. Nearly three-fourths of the funds will be spent to enrich instructional programs by the addition of specialized teachers, consultants, evaluation specialists, speech pathologists, and teacher aides, and to provide inservice training for the staff. Programs will expand by the development of diagnostic and prescriptive services, summer programs, and parent education projects. Fiscal year 1976 is the second year in which funds can follow deinstitutionalized handicapped children in local education agencies. These funds will help supplement appropriately designed educational programs for such children in the local education agencies through such activities as inservice training, the hiring of consultants, parent education, and the purchase of specialized materials.

Plans for fiscal year 1976 (School Year 1976-77)

(3) State Administration

	1976 School Year 1975-76	1977 School Year 1976-77	Increase or Decrease
Amount requested.........	$20,000,000	$20,000,000	$ ---

In addition to authorizing grants to local educational agencies, Title I authorizes the Commissioner of Education to pay to each State up to 1 percent of its basic grant amount, or a minimum of $150,000 for necessary administrative expenses. In school years 1976-77 administrative funds will be used for such expenses as the review of an estimated 14,000 Title I project grant applications during the regular school year plus an estimated 5,000 applications for summer programs; for monitoring of Title I projects at the local level; technical assistance activities for school districts involving program development and evaluation and for providing a greatly expanded State-wide dissemination service to promote the use of effective compensatory education projects.

School year 1975-76

Administra tion funds will be provided to the State educational agency for technical assistance, measuring and evaluating the effectiveness of the grant programs and for dissemination.

(4) Evaluation

	1976 School Year 1975-76	1977 School Year 1976-77	Increase or Decrease
Amount requested........	$8,250,000	$8,250,000	$ ---

Section 151 of the Education Amendments of 1974 (P.L. 93-380) authorizes the Commissioner to use one-half of one per centum of the funds appropriated for Title I for evaluation of the program. Of the amount available for evaluation, $5,000,000 each year for three years, must go to the National Institute of Education for the conduct of a comprehensive study of compensatory education. In addition in fiscal year 1975 and 1976 the following evaluation studies will be initiated using funds made available by the program set aside: (1) a Study of the Neglected and Delinquent program; (2) a Study of the Feasibility of an Impact Evaluation of the Program for Children of Migratory Agricultural Workers; (3) a Survey of the Technical Assistance Needs implied by State Evaluation and Reporting Models currently being developed and the design of a field test for them; and, (4) a study of the effects of multi-year participation in basic skill compensatory programs on student skill acquisition.

(5) Title I Studies

	1976 School Year 1975-76	1977 School Year 1976-77	Increase or Decrease
Participation of Title I children..................	$1,250,000	$1,250,000	$ ---
Expansion of current population survey...............	8,000,000	---	-8,000,000

An amount of $1,250,000 was appropriated by the Congress in fiscal years 1975 and again in 1976 to carry out the provisions of Section 417(a)(2) of the General Education Provision Act which authorize a survey of how many of the children counted under Title I to determine eligibility actually participate in the program. An additional amount of $1,250,000 is requested in this appropriation to continue this study in 1977.

An amount of $2,000,000 was authorized in 1975 for the Secretary of Commerce in consultation with the Secretary of Health, Education, and Welfare to expand the current population survey in order to furnish current data for each State with respect to the total number of school age children in each State to be counted for the purposes of Title I. No funds were authorized by the Congress for this study in the advance funding for 1976 which has already been appropriated. However, the Administration is requesting that $8,000,000 of the already appropriated funds be reprogrammed in order to provide funding for this study in fiscal year 1976. Such funds will be transferred to the Department of Commerce. A provision has been inserted in the proposed appropriation language to authorize this use of the funds.

In fiscal year 1975 the Congress authorized funds for another study mandated by the Education Amendments of 1974. An amount of $200,000 was provided under the authority of Section 823 to carry on a study of the manner in which the relative measure of poverty for use in the financial assistance program authorized by Title I may be more accurately and currently developed. The study will take into consideration regional, climatic, metropolitan, urban, suburban, and rural differences and family size and head of household differences.

Accomplishments in fiscal year 1974 (School Year 1973-74) and 1975 (School Year 1974-75)

(1) Grants to Local Educational Agencies: During school year 1973-74, an estimated 6.1 million children in almost 14,000 school districts participated in Title I programs. Title I funds in LEAs were concentrated upon instruction in reading, mathematics and English language arts for the most educationally deprived children in school year 1974-75. And estimated 5.6 million children including 405,000 in non-public schools were served. An estimated 81 percent of the funds in local educational agencies were spent upon instructional costs. Sixty-three percent of all services were in the basic skills (English language arts, reading, mathematics) and 37 percent were for supporting services (pupil services and capital outlays).

(2) Migrant Children: Grants to State educational agencies for school year 1973-74 provided services for about 300,000 children. New emphases in migrant education included the use of special diagnostic instruments for migrant students and more effective use of educational materials and teaching methodologies. Program application, evaluation and monitoring instruments for the migrant program also were initiated. In school year 1974-75, approximately 430,000 migrant children participated in the program in 2,000 local educational agencies. The Migrant Student Record Transfer system was improved and made more responsive to the needs of State and local program managers.

(3) Neglected and Delinquent Children: In school years 1973-74 and 1974-75 approximately 50,000 institutionalized neglected and delinquent children participated in programs supported by grants to State agencies.

(4) Handicapped Children: During fiscal year 1974 approximately 166,000 children in State operated or supported schools participated in programs and/or projects funded with P.L. 89-313 funds at an average cost of $517 per child. Of the total 166,000 participants 103,000 were mentally retarded, 22,000 were auditorally impaired, 9,000 were visually handicapped, 21,000 were emotionally disturbed and 11,000 were crippled or other health impaired. In fiscal year 1975 the number of children participating under this program increased to 184,000, an increase of 18,000 or 11%. Handicapped children formerly in State agencies who subsequently participated in special education programs at the local level accounted for approximately 11,000 of the 18,000 increase or 56%. However, the total amount of funds appropratied increased by only 3% ($3,000,000) due to the revised formula for computing per pupil expenditures.

(5) Adminstration: Amounts of $18,046,000 in 1974 and $19,315,000 were made available to the State governments to assist them in properly operating this program.

Grants to Local Educational Agencies[1]

	School Year (Est.) 1974/75	School Year (Est.) 1975/76	School Year (Est.) 1976/77
No. of school districts	14,000	14,000	14,000
No. of participating children	5,600,000	5,600,000	5,600,000
Public	5,195,000	5,200,000	5,200,000
Nonpublic	405,000	400,000	400,000
Grade Levels Served:			
Pre-school and Kindergarten	6%	6%	6%
Grades 1-6	57%	57%	57%
Grades 7-9	22%	22%	22%
Grades 10-12	15%	15%	15%
Use of Funds:			
Instructional Costs	81%	82%	83%
Health Services	2%	2%	2%
Equipment	2%	2%	2%
Construction	1%	1%	1%
Administration	6%	6%	6%
All other	8%	7.9%	6.9%
Type of Service:			
Basic skills (English language, Arts, Reading, Math, etc.)	63%	63%	63%
Supporting Services, Pupil Services and Capital Outlay	37%	37%	37%
Average cost per child	$293	$292	$277
No. of State Program Reviews	57	57	57
No. of monitoring site visits	190	200	200

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[1] Includes grants to local educational agencies under Parts A, B and C.

Program for Indian Children in BIA Schools

		School Year		
		(EST.) 1974/75	(EST.) 1975/76	(EST.) 1976/77
1.	Total number of elementary and secondary students in BIA schools	51,000	51,000	51,000
2.	Number of Target Title I Students (unduplicated count)	32,300	33,000	33,000
3.	Number of Projects	183	183	183
4.	Number of Project Sites (or School units)	218	218	218
5.	Average project cost per child served	$543	$532	$532
6.	Number of Out-of State Students served in Peripheral Dorms	372	375	375
7.	Number of Title I funded staff			
	A. Professional Staff (Indian & Non-Indian)	500	500	500
	B. Non-professional Indian Aides	1,600	1,600	1,600
8.	Major Academic Thrusts:			
	A. Reading	40%	45%	45%
	B. Other Language Arts	25%	25%	25%
	C. Mathematics	10%	10%	10%
	D. General Academic Improvement	10%	0%	0%
	E. Special Education (Handicapped Children)	10%	15%	15%
	F. Other (not categorized)	5%	5%	5%
9.	Number of children in BIA Schools with major English difficulty	33,000	33,000	33,000
10.	Number of Handicapped Children in BIA Schools	18,500	18,500	18,500
11.	Visits by Central Office Staff:			
	A. Official Monitoring Visits to area offices & area schools	10	10	10
	B. Tec. Assistance and Training Visits to areas and school units	60	60	60
12.	Visits by Area Office Staff:			
	A. Monitoring Visits to School	173	173	173
	B. Tech. Assistance and Training Visits to Schools	370	370	370

Title I ESEA

State Agency Program for Migrant Children

	FY 1975 (School Year 74/75)	FY 1976 (School Year 75/76)	FY 1977 (School Year 76/77)
1. No. of States	48	52	54
2. No. of participating children	430,000	500,000	700,000
3. No. of Applications	48	52	54
4. No. of New Awards	48	52	54
5. No. of Continuing Awards	46	52	52
6. No. of LEA Programs	2,000	2,400	2,800
7. No. of State Program Reviews	16	33	44
8. No. of Site Visits	32	66	88
9. Average cost per child	$214	$200	$214

Title I, ESEA

Programs for Neglected and Delinquent Children in Institutions

	School Year		
	(Est.) 1974/75	(Est.) 1975/76	(Est.) 1976/77
State Agency Program			
No. of State Agencies	95	95	95
No. of Participating Children	50,000	50,000	50,000
No. of Grant Awards	106	53	53
Average cost per child	$538	$540	$560
No. of monitoring visits	75	100	100
Local institutions			
No. of Local Institutions	1,396	1,500	1,500
No. of participating children	67,682	68,000	68,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Support and Innovation Grants.................	$141,495,000	$131,638,750	$172,888,000	$+41,249,250
(1976 Advance for 1977)			(172,888,000)	(---)
(a) Support and innovation...............	---	---	(86,444,000)	(86,444,000)
(b) Strengthening State Departments of Education.........	(39,425,000)	(29,568,750)	(19,712,500)	(-9,856,250)
(c) Supplementary services................	(101,170,000)	(101,170,000)	(63,781,500)	(-37,388,500)
(d) Dropout prevention..	---	---	(2,000,000)	(+2,000,000)
(e) Nutrition and Health	(900,000)	(900,000)	(950,000)	(+50,000)
Total..........	141,495,000	131,638,750	172,888,000	+41,249,250
(1976 Advance for 1977)..			(172,888,000)	(---)

* In FY 1976 funds for the categorical grant programs are consolidated into "Educational Innovation and Support". In accordance with Title IV, Part A, Section 401, of P.L. 93-380, 50% of the appropriated funds are to be used for consolidation grants and 50% for the categorical programs. In FY 1977, all appropriated funds will be used for consolidation grants.

Narrative

Program Purpose

To enable States to exercise increased responsibility and flexibility in providing support for the strengthening of State departments of education, supplementary educational services, dropout prevention and nutrition and health, Title IV of the Elementary and Secondary Act, as amended by Title IV, Section 401, Part C of P.L. 93-380 in 1974, consolidates four categorical programs into a single grant, "Educational Innovation and Support". The four former categorical programs which now comprise the consolidation are Title V, ESEA, Strengthening State and local educational agencies; Title III, ESEA, Supplementary educational centers and services (except guidance, counseling, and testing); Title VII, Section 807, ESEA Dropout prevention projects, and Title VIII section 808, Nutrition and health. The consolidation permits States to continue efforts in any or all of the formally separately authorized programs according to their needs. In fiscal year 1975, the administration is requesting a rescission of $9,856,250 for Title V, ESEA.

Allocations will be made to all States on the basis of the proportionate number of children in each State ages five through seventeen as related to the total number of such children in all States, after approximately one percent is withdrawn for distribution to the outlying areas, the Department of Interior (for Indian Education) and the Department of Defense. The program is advance funded. In fiscal year 1976, 50% of the funds will be used for consolidation purposes, and the remainder will be used for the categorical programs. In 1977, 100% will be used under the consolidation authority.

Plans for fiscal year 1977

In school year 1976-77, 100% of the 172,888,000 requested will be used on a consolidated basis. This will permit the States to set priorities in accordance with individual needs which may result in considerable differences among States in program emphasis. Thus, one State may see its primary needs resting on improving the nutrition and health services existing in local schools while another might stress the development of dropout prevention programs. Priority setting will be reflected in each States program plan.

Consolidation does present certain limitations on State spending. A State is permitted to use a maximum of 15% of its allocation (or the amount available in fiscal year 1973, whichever is greater) to strengthen State and local education agencies. A maximum of 5% of the remainder may be used for administration of the programs being consolidated. A minimum of 15% of the funds received by the State must be expended on programs for handicapped children. Equitable opportunities must be provided for children in private, nonprofit elementary and secondary schools.

Plans for fiscal year 1976

In school year 1975-76, 50% of the $172,888,000 advance funded appropriation will be used for the support and innovation consolidation and 50% for the categorical programs. These funds will support the following activities:

Support and Innovation: The consolidation will provide a grant program that will permit State and local authorities greater flexibility in determining individual educational priorities among these activities. The $86,444,000 available under consolidation will support the same activities as the categorical programs.

Strengthening State Departments of Education: The $19,712,500 available for this activity will be used by all States to continue activities for strengthening the leadership resources of State and local education agencies. Emphasis will be given to developing and expanding planning and evaluation capabilities at the local level and for the provision of intensified technical assistance by State education agencies. Additionally, State education agencies will strengthen their management capacity through the training of management teams and the installation of new management processes. Five percent of the funds available will be used for special project grants to State education agencies under Section 505 of this Title to enable groups of these agencies to develop their leadership capabilities through experimental projects and to solve high priority problems common among States. An estimated 18 grants will be supported under Section 505.

Supplementary Services: The $63,781,500 available will enable the States to continue 800 projects, 500 of which are in their final year of operation and 300 of which are achieving their individual objectives but are not considered likely to be continued under Part C of Title IV based upon the State Title IV needs assessment. Of these 800 projects 40 will be validated for State dissemination through the IVD (Identification Validation Dissemination) process. The Commissioner's discretionary grant authority, Section 306, was repealed as of June 30, 1975.

Dropout Prevention: The $2,000,000, available will permit States to initiate additional activities according to individual needs. Based on validated experiences gained from the 19 originally funded projects, alternative approaches to dropout prevention will be stressed. Coordination with other programs directed at dropout prevention will be emphasized.

Nutrition and Health: An amount of $950,000 will be available for this activity which was multi-year funded in prior years. Information will continue to be disseminated on twelve demonstration projects which were completed in previous years so that maximum use can be made of what has been learned. The Office of Education will continue to monitor and provide technical assistance to continuing projects. An estimated three new projects will be initiated for one year only.

Accomplishments in fiscal year 1975

Strengthening State Departments of Education: A total of $29,568,750 was available for this activity in fiscal year 1975. Of this amount $24,705,938 was used for Grants to States. The States continued activities designed to improve and increase the leadership and services provided for local educational agencies, and investigated alternatives to their organizational and governance structures. As a result, changes in organizational structures and operating procedures have been implemented. The amount available for Title V, Section 505, ESEA was $1,300,312. Twenty-four projects were supported which enabled State educational agencies to conduct studies and develop strategies and models for dealing with problems such as improving internal auditing; State role and responsibilities in environmental education; State and local agency role in accountability; the consolidation of grant applications; State role in collective bargaining; and State role in certification of principals. In accordance with the Act these special projects provided all of the 56 SEAs with opportunities to pursue common priorities, to exchange strategies for resolution of common problems, and to provide a forum for joint consideration of common concerns. In addition, two projects provided inservice training opportunities for the chief State school officers of all States and members of State boards of education.

Under Part C, Comprehensive Planning and Evaluation, $3,562,500 was available in fiscal year 1975. Many of the major fiscal year 1974 objectives were continued by the State agencies in 1975. However, emphasis on internal development of State educational agencies was reduced as attention was given to the development of planning and evaluation capabilities at the local level. This emphasis resulted in:

- 56 SEAS providing planning and evaluation services to selected LEAs as required by statue, making initial efforts to begin the development of coordinated State/local comprehensive planning and evaluation
- 10 SEAs piloted the development of planning and evaluation models at the local level
- 35 SEAs allotted planning and evaluation training for personnel in selected LEAs
- 6 metropolitan LEAs participated directly in the program establishing planning and evaluation units which coordinated planning and evaluation with their respective SEAs

Supplementary Services: An amount of $101,170,000 was available for this activity in fiscal year 1975. The States funded approximately 1,300 demonstration projects in a variety of areas of State identified concerns. An additional 75 projects were validated for State-wide dissemination through the IVD (Identification, Validation, and Dissemination) process implemented by States with developmental assistance from the Office of Education.

Under the Commissioner's discretionary funds (Section 306) 35 exemplary projects served as demonstration and training sites for school districts. In addition, 57 grants were made to support facilitators to promote the adoption within their respective States of the selected national demonstration projects. Another 18 grants were awarded to local educational agencies to field test 3 sites each of 6 packaged exemplary education programs. In addition to the primary emphasis on replication, 100 early childhood out-reach programs were funded as a major new thrust to improve learning opportunities for the preschool child; 3 demonstration programs designed to provide more effective services to the victims of child abuse were implemented; 25 developmental programs to meet the special needs of handicapped children were supported; 75 short-term training programs were supported to prepare local school administrators to implement performance-based management approaches, and 5 grants were made to field test mathematics programs involving mathematics specialists in classroom instruction.

Nutrition and Health: An amount of $900,000 was available for this activity in fiscal year 1975. Four projects funded in the previous year were continued in school year 1974-75. Eight previous projects were phased out of Federal support and into local support. Five new projects begun in fiscal year 1974 were monitored and provided technical assistance. Anecdotal reports and evaluation by the projects indicated that a wide variety of approaches were successful in different types of communities. An overall evaluation design was completed and was implemented. Information about different approaches was disseminated among the projects and to other communities. Three new demonstration projects serving 4,000 children were undertaken. The projects have demonstrated a variety of comprehensive models for improving the delivery of services and education in health and nutrition, targeted at children from low-income families. Federally assisted programs located in the target areas have been used to the maximum extent possible. These programs included: Comprehensive Neighborhood Health Centers, Children and Youth Projects, Comprehensive Mental Health Centers, Model Cities, Indian Health Service and Child and Family Feeding Programs.

Dropout Prevention: Funds were not appropriated for this activity in fiscal year 1975. The 19 original projects funded were phased out. Coordination with other programs directed at dropout prevention was initiated.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Bilingual Education	$84,270,000*	$69,270,000*	$70,000,000	+ 730,000
New Awards	23,100,000	8,100,000	13,864,000	+5,764,000
Continuations	61,170,000	61,170,000	56,136,000	-5,034,000

Narrative

Program Purpose

To assist local educational agencies in responding to the special educational needs of children of limited English speaking ability so that they might have equal educational opportunity, title VII of the Elementary and Secondary Education Act authorizes the Commissioner to provide financial assistance to encourage the establishment and operation, where appropriate, of educational programs using bilingual education practices, techniques, and methods. Authorized activity includes:

--discretionary grants for the development and demonstration of bilingual education programs to local educational agencies or to institutuins of higher education (including a junior or community college) applying jointly with one or more local educational agencies.

--grants or contracts to carry out training activities by (a) institutions of higher education which apply, after consultation with, or jointly with, one or more local educational agencies; (b) local educational agencies; and (c) State educational agencies.

--the establishment, publication, and distribution by the Commissioner of suggested models of bilingual education with respect to pupil-teacher ratios, teacher qualifications and other factors affecting the quality of instruction offered in such programs.

In addition, from funds appropriated under this title, the Commissioner is authorized to make payments to the Secretary of the Interior to carry out programs of bilingual education for Indian children on reservations served by elementary and secondary schools operated or funded by the Department of the Interior.

This program is forward funded. Consequently, funds appropriated and obligated in one fiscal year are used by grant and contract recipients the succeeding year, e.g., fiscal year 1976 funds will be used by recipients during fiscal year 1977, i.e., academic year 1976-77.

Needs and Goals

The Lau vs. Nichols decision affirmed the responsibilities of the LEA's to develop appropriate programs for students of limited or non-English speaking ability to ensure equal educational opportunity. Beyond the responsibility for civil rights compliance/enforcement, the Federal government has assumed a capacity building role to assist the LEA's and the States in building resources to address the educational needs of such children.

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*Amounts shown are new obligational authority appropriated or requested for the year indicated. They exclude $8,000,000 in fiscal year 1974 appropriations obligated during fiscal year 1975 for school year 1974-75. Also excluded for comparability is $ 30,000 for the Needs Assessment which will be continued in fiscal year 1976 with funds appropriated to the Assistant Secretary for Education.

The resources essential to this goal are teachers and instructional materials. Up to 100,000 bilingual education teachers are needed for an estimated 1.8 to 2.5 million children of limited English speaking ability. Instructional materials of proven quality for the 42 languages currently present in title VII projects are needed in the range of academic subjects in all elementary and secondary grades. At this point, materials in languages other than Spanish are limited and those available need to be field tested and disseminated. These needs will be more sharply defined over the next several months and again subsequently by November, 1977 when the two legislatively required needs assessments in this field are completed.

In keeping with the capacity building role, new training efforts to generate fully qualified personnel are being funded (traineeships, fellowships and institutional assistance) and emphasis is being given to those inservice training programs which lead to degrees and/or certification in bilingual education. Moreover, plans have been developed to coordinate the materials development/assessment/dissemination functions to avoid duplication of effort and to facilitate the use of materials of proven quality in title VII and non-title VII bilingual education classrooms. The FY 1975 funding increase over FY 1974 for both of these resource-generating activities (teacher training and materials development) is to be retained in FY 1976.

Plans for Fiscal Year 1976

To assist LEA's in providing equal educational opportunity to children of non-or limited English speaking ability, the request will support demonstration sites, train teachers, and develop, assess, and disseminate instructional materials. The request is the same as the revised fiscal year 1975 request and will be distributed in approximately the same proportion.

I. Classroom Demonstration Projects. The Federal role as regards bilingual classroom operations is to provide financial assistance for demonstrations of effective models which may then be replicated by other LEA's seeking to provide equal educational opportunity for children of non-or limited-English speaking ability. An amount of $46,900,000* will support this effort for school year 1976-77. At an estimated average cost of $162,283, a total of 289 projects, including up to 40 new demonstrations, will be funded which will provide bilingual education in a total of 42 languages including 23 native American languages.

II. Training. As required by law, an amount of $16,000,000* or nearly 23% of the Title VII request is targeted on this component to increase the number of bilingual educational personnel directly involved with teaching children.

(a) Inservice training - To train approximately 990 administrators and counselors, 4,000 teachers and 4,000 aides participating in ongoing demonstration projects, $8,130,000 will be available. Career development will be stressed in these training programs and priority will be given to grant applications that have training programs leading to degrees and/or credentialling of training participants.

(b) Pre-service traineeships - To enable individuals to achieve degrees and/or certification in the field of bilingual education, an amount of $4,270,000 providing up to $3,500 to minimum of 1,220 undergraduate and graduate students is included in the request. These awards will be made jointly by the LEA's and institutions of higher education. Support of undergraduates will mean built-in continuation costs as students proceed through their academic programs.

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* Note that these amounts are slightly different from those published in the President's Budget which read $46,170,000 for demonstrations and $16,730,000 for training.

(c) Graduate fellowships - To provide 100 graduate fellowships to prepare individuals to train teachers for programs of bilingual education, a total amount of $600,000 is planned. Fellowships will average $6,000.

(d) Program development - To enable institutions of higher education to develop or expand and improve their bilingual education training capabilities, $3,000,000 will be made available for an estimated 20 grants of about $150,000 each.

III. Materials Development. Until fiscal year 1974, curriculum and materials development were integral to all Title VII demonstrations and there was consequent duplication of effort. However, a major need identified during project monitoring and in the Office of Education's "Process Evaluation of the Bilingual Education Program" (1974) is the coordination of materials development activities, the assessment of materials developed, and the dissemination of materials of proven quality. As a result, a strategy to support capacity building was devised in which the curriculum-development component in each project would be de-emphasized. Available funds would be increased and focused on a few projects to produce core curricula with appropriate materials that may be field tested in bilingual classrooms throughout the country prior to wide distribution. The $7,000,000 request for this activity will support up to 10 such projects covering such functions as curriculum and materials development, assessment of existing materials, and dissemination of validated materials.

In addition, to support the capacity building objective, an estimated 6 resource centers will be funded as an integral part of the materials development/assessment/dissemination network. These centers will directly serve LEA's by providing them assistance in personnel training and in the utilization and field testing of instructional materials. However, as components of demonstration and/or training projects, the centers will be funded out of those activities described above and not from this activity.

IV. National Advisory Council. An amount of $100,000 will support the activities of this council which is authorized to advise the Commissioner in the preparation of general regulations and with respect to policy matters concerning the administration and operation of this title.

Accomplishments - Fiscal Year 1974 and 1975

For school year 1974-1975 a total of $68,220,000 was available for obligation. This amount included the $50,350,000 originally appropriated in fiscal year 1974 less the five percent authorized reduction, the $8,000,000 appropriated in the fiscal year 1974 second supplemental, and $9,870,000 in fiscal year 1973 released funds. Of these amounts, the released funds and the original appropriation were obligated to cover the entire school year. The $8,000,000 supplemental, available for obligation through December 31, was obligated in December and therefore essentially covered the remaining half of the school year. From the total $68,220,000 available for the 1974-75 school year, $55,017,000 was awarded to LEA's for 383 classroom demonstrations, including 200 new starts. The demonstrations cover 42 languages including 23 native American languages. An amount of $6,816,800 supported the inservice training of 12,462 school personnel associated with these demonstrations. Six materials development projects in ten languages were funded at a level of $5,793,000.

The fiscal year 1975 amount of $70,000,000 represents the revised request. The appropriation is $85,000,000, but a rescission of $15,000,000 has been proposed. The revised request of $70,000,000 will target nearly 33 percent of the available funds on activities designed to increase the number of trained school personnel and the availability of quality materials. Of the $16,000,000 for training, $9,900,000 will fund inservice training for an estimated 10,950 teachers and other personnel associated with ongoing demonstration projects; with a maximum award of $3,500, the amount of $2,500,000 will enable LEA's and institutions of higher education to award a minimum of 714 pre-service traineeships leading to degrees or certification to qualified undergraduate and graduate students; a reserve of $600,000 will fund 100 fellowships for graduate students entering the field of bilingual education teacher training, and $3,000,000 will be distributed among an estimated 20 institutions of higher education for the development and improvement of their bilingual education graduate programs. The $7,000,000 earmarked for materials development will be targeted on up to 10 projects focusing on the development, assessment, and dissemination of special instructional materials for use in bilingual education programs. With these funds, the core of materials already available in Spanish will be assessed and expanded and work will be initiated and/or strenthened on a number of other languages for which suitable materials are either non-existent or minimal. This activity is central in building the capacity of LEA's to implement bilingual education programs by providing materials which the LEA's cannot develop on their own due either to fiscal constraints or lack of expertise at the local level, or which they do not need to develop with their own resources because appropriate materials of high quality already exist and will be disseminated to them. (Some materials and curriculum development will, however, continue at the local level where the native language spoken is that of a relatively small, localized population.)

The bulk of the appropriation, $46,170,000 will support grants to local education agencies to demonstrate bilingual education programs in school year 1976-77. No new projects are planned this year, although an estimated 292 projects initiated in prior years will be continued at an average cost of $158,116. Approximately 91 projects previously funded will not be continued this year either because they have achieved the goals of their demonstration purpose or because they were judged of too poor quality relative to other grant applicants to merit continued funding as a demonstration project.

Finally, $100,000 has been earmarked for the National Advisory Council on Bilingual Education.

Supplemental Fact Sheet 1

ESEA, Title VII Funding Distribution by Program Component

	FY '74	FY '75 Est.	FY '76 Est.
Amount Available Obligations	$68,220,000 1/ (67,627,000)	$70,000,000	$70,000,000
I. Classroom Projects (less training component)	55,017,000	46,170,000	46,900,000
(a) Ongoing project continued....	183	292	249
(b) Number of new projects.......	200	-0-	40
(c) Projects discontinued........	17	91	43
(d) Total number of projects.....	383	292	289
(e) Average cost per project.....	2/	158,116	162,283
(f) Number of students served (est.)	236,125	204,000	201,600
(g) Average per pupil expenditure (excluding training costs)	2/	226	233
(h) Number of languages	42	42	42
II. Training Costs (all)	6,817,000	16,000,000	16,000,000
A. Inservice (through classroom projects)	6,817,000	9,900,000	8,130,000
1. Number of teachers.......	9,000	5,000	4,000
2. Number of aides, parents, and paraprofessionals....	3,462	5,000	4,000
3. Number of administrators and Counselors...........	-0-	951	993
4. Average cost per trainee.	547	904	904
B. Pre-Service Traineeships	-0-	2,500,000	4,270,000
1. Number of recipients.....	NA	714	1,220
2. Average Award............	NA	3,500	3,500
C. Graduate Fellowships	-0-	600,000	600,000
1. Number of recipients.....	NA	100	100
2. Average Award............	NA	6,000	6,000
D. Program Development	-0-	[illegible],000,000	3,000,000
1. Number of Awards..........	NA	20	20
2. Average Award............	NA	150,000	150,000
III. Materials Development	5,793,000	7,000,000	7,000,000
(a) Number of projects...........	6	10	10
(b) Average cost.................	965,500	700,000	700,000
(c) Number of languages..........	10	12	12
IV. Advisory Council.................	3/	100,000	100,000
V. Needs Assessment.................	-0-	730,000	4/

1/ Includes $9,870,000 in FY 1973 released funds obligated for school year 1974-75

2/ Averages not computed since the $8 million supplemental was obligated in December, 1974 and those grants essentially covered only half of the 1974-75 school year

3/ Funded in the Salaries and Expenses account this year

4/ Activity to be continued with fundsappropriated to the Assistant Secretary for Education.

SUPPLEMENTAL FACT SHEET 2

Elementary and Secondary Education Act
Title VII

LANGUAGES SERVED WITH FISCAL YEAR 1974 FUNDS
(During School Year 1974-75)

8 Indo-European

French
Portuguese
Spanish
Italian
Greek
Yiddish
Russian
Haitian French

11 Asian

Chinese (Cantonese)
Japanese
Korean
Ilocano
Samoan
Trukese
Marshalese
Ponopean
Chamorro
Palouan
Tagalog

23 Native American

Yupik
Siberian Yupik
Inupiat
Athabaskan
Aleut
Navajo
Lakota
Seminole
Zuni
Cree
Papago
Bannock Shoshoni
Crow
Northern Cheyenne
Miccosukee Seminole
Choctaw
Cherokee
Acoma Pueblo Keresan
Laguna Peublo Keresan
Mississippi Choctaw
Passamoquoddy
Pomo
Mescalero Apache

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Right to read........	$12,000,000	$12,000,000	$12,000,000	$ ---
New awards.........	(1,900,000)	(1,900,000)	(10,750,000)	(+8,850,000)
Number...........	55	55	100	+45
Continuing awards..	(10,100,000)	(10,100,000	(1,250,000)	(-8,850,000)
Number...........	151	151	15	-141

Narrative

Program purpose

The purpose of the Right to Read program, authorized by Title VII of the Education Amendments of 1974, is to provide facilitating services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading. The Right to Read program is both an impetus to and a component of a large National reading effort. The goal of this National effort is to eliminate functional illiteracy in this country to the extent that by 1980, 99 percent of the population sixteen years of age, and 90 percent of the population over sixteen years of age will be functionally literate.

Functional illiteracy is the inability to read the kinds of simple materials--job application forms, drivers' license examinations--which make it possible to take advantage of the opportunities American society has to offer.

Through fiscal year 1975, this program operated under the authority of the Cooperative Research Act which provided the basis for different types of activities than are planned under Title VII of the Education Amendments of 1974, which specifies activities which may be supported in a National Reading Improvement Program. In order to achieve the purpose of this program, the Commissioner is authorized to award discretionary grants and contracts to State and local education agencies, institutions of higher education, and other public and private nonprofit agencies.

Plans for fiscal year 1976

The Right to Read program is made up of a number of components:

1. Reading Improvement Projects, (Part A)--The purpose of this component of the Right to Read program is to encourage State and local educational agencies and private organizations to undertake projects to initate or strengthen reading instruction programs and language arts programs in elementary and preelementary schools. Eligible grantees are State, local and nonprofit educational agencies or child care institutions.

In fiscal year 1976, 44 new projects will be funded with $6,880,000; however not more than 12-1/2 percent of the total for these projects may be allocated to any one State. Awards will be made for projects,

(1) in kindergartens and preschools which have demonstrated or which have the resources to provide model reading practices for children between ages 3 and 6. These exemplary practices should include inservice training of site staff as well as methods specifically for teaching young children.

(2) in schools which have demonstrated or which have resources to provide model developmental or remedial reading practices for students on the elementary and secondary levels. These projects should involve innovative methods, systems, materials, or programs in schools having large numbers or a high percentage of children with reading deficiencies.

2. Special Emphasis Projects (Part C, Section 721)--The purpose of this component of the Right to Read program is to determine the effectiveness of intensive instruction by reading specialists and reading teachers. Eligible grantees are local education agencies.

In fiscal year 1976, 20 new projects will be funded with $1,000,000. Two types of projects will be supported:

(1) those providing for the teaching of reading by a reading specialist for all children in the first and second grades.

(2) intensive vacation reading programs for elementary school children reading below grade level or experiencing problems in learning to read.

3. Reading Academies (Part C, Section 723)--The purpose of this component of the Right to Read program is to furnish reading assistance and instruction to out-of-school youths and adults who do not otherwise receive such assistance and instruction. The target population for these projects has minimal reading capability, roughly comparable to fourth grade level or below; projects will be in both urban and rural areas.

Reading Academies are the administrative units which would provide the following facilitative and supportive services to volunteer tutors and functional illiterates:

(1) publicity to recruit volunteer tutors and functional illiterates.

(2) counseling and guidance services.

(3) technical assistance in establishing and maintaining various tutor/tutee arrangements.

(4) training of volunteer tutors.

(5) provision of appropriate teaching and testing materials.

(6) establishment and utilization of a counsel or advisory committee.

(7) establishment of a systematic evaluation design to track progress.

Eligible recipients of contracts or grants are State and local education agencies, institutions of higher education, community organizations, and other non-profit organizations.

In fiscal year 1976, an amount of $4,000,000 will be used to support 50 academies; 35 new projects at $2,750,000 and 15 continuations at $1,250,000.

4. Evaluation (Part D, Section 731)--A yearly evaluation is required by Title VII of the Education Amendments of 1974, which allow up to one percent of the Title VII budget to be used for that purpose. In fiscal year 1976, $120,000 will be used for this project.

Accomplishments for fiscal years 1974 and 1975

Of the projects funded in fiscal years 1974 and 1975, the only activity to be continued into 1976 will be support of the Reading Academies. This change in program operations is necessitated by the expiration of the Cooperative Research Act and the initiation of the National Reading Improvement Program as delineated in Title VII. The program as operated in 1974 and 1975 includes:

1. State Education Agency Program: The purpose of this component of the Right to Read program is to build the capacity of State agencies to assume responsibility of improving reading achievement through:

(a) State education agency needs assessment

(b) developmental activities to coordinate State-wide reading activities

(c) preparation of local education agency reading directors

(d) technical assistance

In fiscal year 1974, 31 State edcuation agencies were funded, directly impacting on 1,227 local education agencies. These grants were for continuations only.

Through fiscal year 1975, the number of discretionary grants to State education agencies was increased slightly each year, with the intent of eventually including all State education agencies in the program. Title VII provides that amounts for the State program are authorized only in the amount of the excess above $30,000,000 allocated for both Parts A (Reading Improvement Projects) and B (State Reading Improvement Programs.) Our 1976 budget does not include funds for this purpose.

Therefore, since this component will not be continued in 1976, in fiscal year 1975, all 50 State education agencies are funded, including 31 continuations and 19 new projects. The newly funded projects will be one-year grants for State education agency orientation toward developing a State-wide reading strategy. Preparation of local education agency directors is targeted in districts having the highest incidence of children with reading difficulty.

2. Demonstration Program: The purpose of this program is to stimulate local education agency and community investment by demonstrating exemplary programs. In fiscal year 1974 91 school-based demonstrations, impacting on 30,000 students were supported and 71 community-based demonstrations were supported. In fiscal year 1975, 9 school-based projects and 21 large school districts or cities were funded on a continuation basis, and 55 community-based projects were supported. Community-based projects are to be phased out after 1975. School-based and large district projects will be eligible for support under Part A demonstrations in fiscal year 1976.

3. Reading Education Reform: The purpose of this component of the Right to Read program is to facilitate changes in reading education programs for teachers and administrators. Grants are made, for periods of up to two years, to institutions of higher education. Thirty-four projects at the elementary level were supported in both fiscal year 1974 and fiscal year 1975.

4. National Impact Activities: The purpose of these activities is to stimulate public and private activity to help achieve the reading goal of the National effort. In fiscal year 1974, the following activities were supported:

(a) one contract, funded jointly with the Adult Basic Education program, to develop an adult television series to teach adults with reading problems, and

(b) a mini-assessment of the reading achievement profile of 17 year olds, which was carried out as part of the National Assessment of Educational Progress.

In fiscal year 1975, the mini-assessment to complete the reading achievement profile of 17 year olds was continued, and the Reading Academies program was initiated with 15 projects at a cost of $1,250,000.

5. Dissemination: In fiscal year 1974 five technical assistance projects were funded to help the school-based demonstrations; a Right to Read film was produced; and Right to Read materials were developed by the most successful demonstration projects. In fiscal year 1975, Right to Read materials were disseminated.

SUPPLEMENTARY FACT SHEET

Right to Read

Estimate of Need: The United States has close to 19,000,000 totally or functionally illiterate adults and 7,000,000 elementary and secondary school students with severe reading problems. In large cities between 40 and 50 percent of the children are underachieving in reading.

Activity	FY 1973 Actual	FY 1974 Actual	FY 1975 Estimate	FY 1976 Estimate
State Education Agencies........	$ 4,558,337	$ 4,348,000	$ 5,000,000	$ ---
Demonstration Programs:				
School-based projects (elementary and secondary)........	4,440,075	3,818,883	1,700,000	---
Community-based projects (adults)....................	---	3,096,715	2,100,000	---
Reading improvement projects (Part A)..................	---	---	---	6,880,000
Reform of Reading Education....	405,629	1,471,545	1,500,000	---
Special Emphasis Projects (Part C, Section 721)........	---	---	---	1,000,000
National Impact Projects:				
Adult TV......................	---	520,990	---	---
Mini-assessment..............	166,555	255,481	100,000	---
Right to Read Academies (Part C, Section 723)........	---	---	1,250,000	4,000,000
Dissemination:				
Film..........................	---	371,359	---	---
Right to Read materials......	358,550	8,000	350,000	---
Technical assistance..........	256,459	198,400	---	---
Evaluation (Part D, Section 731).........................	724,251	49,985	---	120,000
FY 1972 awards funded from FY 1973 funds...............	944,335	---	---	---
Total....................	11,854,191	14,139,358	12,000,000	12,000,000

Formula for Grants to State Education Agencies - 1976 and Beyond

Part B of Title VII specifies a formula which provides that each State receive an amount which bears the same ratio to the total available for allotment to the States as the number of school age (5 through 12) children in each State bears to the total number of such children in all the States. There is a minimum $50,000 grant; allotments to States receiving more than that amount are to be proportionately reduced to provide the necessary increases to States allocated less than the minimum. No more than one percent of the total is to be reserved for the outlying areas.

Number of Projects

	FY 1973	FY 1974	FY 1975	FY 1976
State Education Agencies				
No. of awards made	31	31	50	---
New awards	20	---	19	---
Continuation awards	11	31	31	---
Demonstration Programs				
No. of awards made	96	165	85	44
New awards	---	---	---	44
Continuation awards	96	165	85	---
Average amount of award	$ 46,250	$ 42,000	$ 44,700	$156,300
Reform of Reading Education				
No. of awards made	3	34	34	---
New awards	3	34	---	---
Continuation awards	---	---	34	---
Average amount of award	$135,000	$ 44,000	$ 44,000	---
Special Emphasis Projects				
No. of awards made	---	---	---	20
New awards	---	---	---	20
Continuation awards	---	---	---	---
Average amount of award	---	---	---	$ 50,000
National Impact Projects				
No. of awards made	1	2	17	50
New awards	1	1	16	35
Continuation awards	---	1	1	15
Average amount award	$166,555	$388,000	$ 80,000	$ 80,000
Dissemination				
No. of awards made	11	8	20	---
New awards	11	3	20	---
Continuation awards	---	5	---	---
Average amount of award	$ 55,900	$ 72,200	$ 17,500	---
Evaluation				
No. of awards made	1	1	---	1
New awards	1	1	---	1
Continuation awards	---	---	---	---
Average amount of award	$724,251	$ 49,985	---	$120,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Follow Through	$53,000,000	$47,000,000	$41,500,000	$-5,500,000
Non-competing continuing Awards	48,694,000	43,940,000	34,750,000	-9,190,000
Contracts	4,306,000	3,060,000	6,750,000	+3,690,000

Narrative

Program Purpose:

Follow Through is an experimental program designed to test various models of early primary education programs being developed to increase the achievement of disadvantaged children who have been enrolled in Head Start and other similar pre-school programs. The goal for these models is to insure that every child emerges from the primary grades confident of his ability to learn and well equipped with the skills and concepts that form the basis of later learning. Typically, the academic program stresses reading and language development, classification and reasoning skills, and perceptual motor skills. The goal of the Follow Through Program is to determine those approaches and procedures which are most effective with disadvantaged children. Initially authorized under the Economic Opportunity Act of 1974, beginning in fiscal year 1975, the program is authorized by the Head Start-Follow Through Act, Title V of P.L. 93-644.

In order to carry out Follow Through programs the Secretary is authorized to provide financial assistance to local educational agencies and other public or appropriate non-profit private agencies, organizations or institutions. This assistance shall not exceed 80% of the approved costs, nor shall the Secretary require non-Federal contributions in excess of 20 percent of the approved costs. For purposes of developing, testing, and evaluating the models, grants and contracts to public and private agencies are also authorized. Towards the goal of determining which Follow Through approaches being implemented are most effective, several evaluation efforts are underway, most notably the National Longitudinal Study of the 10 most frequently implemented models.

Since fiscal year 1973, the funding pattern for this program has been a staggered one whereby over 75 percent of the appropriated funds are used to forward fund activities in the next school year with the balance supporting activities in the current school year. Evaluation contracts may exceed a 12 month period.

Plans for fiscal year 1976

To complete the Follow Through experiment to test various models of early primary education, a total of $41,500,000 is requested. This reduction of $5,500,000 from the revised fiscal year 1975 submission reflects the plan whereby school year 1976-77 will be the second year of program phase-out with children from grades 2 and 3 only participating. The intention of eventually ending this program because its basic purpose as an experimental program had been achieved was first articulated in the fiscal year 1974 budget submission.

In accordance with the updated plan for phase-out, no more students will be enrolled in entry level grades beginning in September 1975, although all children already participating will remain until they have left the third grade. The last group, those who entered the program in September, 1974 will complete the program in June, 1978. Therefore, fiscal year 1977 will be the last year for which there is expected to be a budget request for Follow Through.

From the request, $9,792,000 will complete the support of activities in school year 1975-76 while $31,708,000 will forward fund activities in school year 1976-77. (See supplemental fact sheet 1 for detail on staggered funding pattern.) During phaseout, program activities such as site support for local projects, sponsor grants for model implementation, supplementary training for para-professionals in project sites, State technical assistance and dissemination, and evaluation by sponsors and project directors will continue to be funded but generally at reduced levels.

Evaluation activities will receive $6,039,000 in fiscal year 1976 funds ($4,039,000 during school year 1975-76 and $1,600,000 during school year 1976-77). Of this amount, a total of $2,839,000 will fund the final years of the National Longitudinal Evaluation Study. In the spring of 1976, the third interim report from the study will be published, focusing on an analysis of the 1971 entering class' third year in the program. Although data collection on the group's last year in the program will be completed this summer, publication of the fourth and final report will not take place until the spring of 1977. The evaluation portion of the request also includes two activities to be initiated in school year 1975-76: (a) a study to determine and compare start-up and operational costs of models and programs and (b) data collection and analysis to determine the extent to which the Follow Through experience continued to benefit students during the year after they have left the program.

Accomplishments in fiscal years 1974 and 1975

From the fiscal year 1974 appropriation of $53,000,000, an amount of $49,317,000 primarily forward funded activity in school year 1974-75. Classroom operations in the 169 sites are presently being supported at all four levels (grades K-3). The balance of the appropriation completed the funding of the 1973-74 school year.

For fiscal year 1975, $53,000,000 was appropriated of which $6,000,000 was to be used toward support of a new entering class. The request to rescind the $6,000,000 is pending. Of the $47,000,000 budgeted for fiscal year 1975, $8,868,000 will complete the funding of activities for school year 1974-75 including $2,137,000 for the collection and analysis of data for the National Longitudinal Study. Data collection for this study ends this spring with the final testing of the 1971 group of children. The analysis of their experience in kindergarten was made available last spring and the report on their first grade experience is about to be published. The final assessment of this group's entire Follow Through experience will be published in 1977.

The remainder of the fiscal year 1975 appropriation, $38,132,000 will forward fund most of the total school year 1975-76 costs. Since that school year is the first year of the scheduled phase-out and there will be no entering group of children, the 169 project sites and other related program activities will require a smaller funding level.

SUPPLEMENTAL FACT SHEET 1

Budget Estimate for Follow Through Program Phase-out
(Note: Appropriated funds are used in two school years as shown below. Dollars are in thousands)

	FY 1974		Revised FY 1975		FY 1976	
	1973-74	1974-75	1974-75	1975-76	1975-76	1976-77
Project Support 1/						
Subtotal.........	1,329	48,605	6,731	37,932	5,353	30,108
Evaluation						
Longitudinal Study						
-Data Collection...	1,904	867	1,300	---	489	---
-Data Analysis.....	295	---	837	100	1,650	700
Cost Study..........	---	---	---	100	300	100
Fourth Grade Study..	---	---	---	---	2,000	800
Subtotal.........	2,199	867	2,137	200	4,439	1,600
Total	3,528 1/	49,472	8,868	38,132	9,792	31,708
Total by School Year		(58,340)		(47,924)		
Total by Budget Year	53,000		47,000		41,500	

1/ Activities supported include site support (grants to LEA's), grants to sponsors for model implementation, training, and other items related to program operation.

2/ The balance of the $49,809,000 covering the 1973-74 school year, came from the FY 1973 appropriation.

Supplementary Fact Sheet 2

FOLLOW THROUGH HISTORY

Fiscal Year	Appropriations (in millions)	School Year	No. of Sponsors	No. of Local Projects	No. of Low-Income Children	Grades
1968 1/	3.75 1/2/	1967-68 1/	0	39	2,900	K-1
1968 1/	11.25 1/2/	1968-69 1/	14	92	15,500	K-1
1969	32.00	1969-70	20	160	37,000	K-2
1970	70.30	1970-71	22	178	60,200	K-2
1971	69.00	1971-72	22	178	78,170	K-3
1972	63.06	1972-73	22	173 3/	84,000	K-3
1973	57.70	1973-74	22	170	81,000	K-3
1974	53.00	1974-75	22	169	78,000	K-3
1975 est.	47.00	1975-76	22	169	59,000	1-3
1976 est.	41.50	1976-77	22	169	38,000	2-3

1/ Fiscal year 1968 appropriations of $15 million was the primary source for both school year 1967-68 and 1968-69.

2/ The funding level includes funds for the program's salaries and expenses.

3/ Reductions reflect reduced appropriations. After 1972, 4 more sites elected not to participate.

Supplemental Fact Sheet 3

NUMBER OF PROJECT SITES BY SPONSOR 1974-75 (169)

1. EMPHASIS ON CLASSROOM INSTRUCTION

   A. Focus on accelerated acquisition basic skills

      U. of Oregon (19**)
      U. of Pittsburgh (7**)
      U. of Kansas (13**)
      Southwest Ed. Dev. Lab. (SEDL) (5**)

   B. Eclectic Approaches

      U. of Georgia (6)
      Prentice Hall (1)
      U. of Arizona (19**)
      Hi/Scope Ed. Res. Found. (9**)
      City U. of New York (2)
      Calif. St. Dept. of Ed. (5)
      Northeastern Ill. St. College (3)
      Hampton Institute (4)
      U. of Calif. at Santa Cruz (1)
      Western Behavioral Sci. Inst. (1)

   C. Learning Through Inquiry & Discovery

      Far West Lab (FWL) (14**)
      Bank Street College of Ed. (14**)
      U. of North Dakota (4)
      Educ. Development Center (10**)

2. PARENT EDUCATION APPROACHES

   U. of Florida (11**)
   Georgia State University (2)
   Clark College (2)

3. LOCAL IMPLEMENTED (Self Sponsored) Approaches (14)

4. PARENT IMPLEMENTED APPROACHES

   AFRAM Associates only (3)
   AFRAM Associates & other sponsor (5*)
   Other sponsor only (2*)
   Unassociated (5*)

* These projects have been accounted for under the appropriate sponsored approaches.

** These projects are included in the National Longitudinal Evaluation Study. Data collection will be completed this spring and the final report will be published in 1977.

Supplemental Fact Sheet 4

FOLLOW THROUGH PROJECTS BY STATE, SITE AND SPONSOR (1974-1975)

GRANTEE	SPONSOR
ALABAMA (2)	
Huntsville	Bank Street
Macon County	Bank Street
ALASKA (1)	
Hoonah	Arizona
ARIZONA (4)	
Rough Rock	Self-Spons*
Oraibi	Kansas
Tucson I	Self-Spons*
Tucson II (Ochoa)	Arizona
ARKANSAS (4)	
Flippin	Oregon
Jonesboro	Florida
Pulaski County	Hampton/Afram*
Texarkana	Pittsburgh
CALIFORNIA (15)	
Berkeley	Far West
Compton	N.E. Illinois
Cucamonga	U.C., Santa Cruz
Fresno	Far West
Garvey	Arizona
Los Angeles	Calif., SEA
Los Angeles	Self-Spons*
Los Angeles	SEDL
Oakland	Calif., SEA
Ravenswood	Calif., SEA
San Diego I	Self-Spons*
San Diego II	WBSI
San Jose	Calif., SEA
San Pasqual	Calif., SEA
Tulare-Cutler-Orosi	SEDL
COLORADO (3)	
Boulder	Bank Street
Denver	High Scope
Greeley	High Scope*
CONNECTICUT (1)	
New Haven	Bank Street
DELAWARE (2)	
Laurel	EDC
Wilmington	Bank Street
DISTRICT OF COLUMBIA (2)	
Nichols Ave. School	Oregon
Morgan Com. School	EDC/Afram*
FLORIDA (4)	
Dade County	Self-Spons
Duval County	Florida
Hillsborough Cnty.	Florida
Okaloosa Cnty.	High Scope
GEORGIA (3)	
Atlanta	CUNY
Pickens Cnty.	Georgia
Walker Cnty.	Arizona
HAWAII (1)	
Honolulu	Bank Street
IDAHO (1)	
Pocatello	Georgia
ILLINOIS (6)	
Chicago I	High Scope
Chicago II	N.E. Illinois
Chicago CCUO	EDC
East St. Louis	Oregon*
Mounds	Kansas
Waukegan	Kansas
INDIANA (3)	
Indianapolis	Kansas
Lawrenceburg	Florida
Vincennes	Arizona
IOWA (2)	
Des Moines	Arizona
Waterloo	Pittsburgh

*Parent Implemented

GRANTEE	SPONSOR
KANSAS (2)	
Topeka	N.E. Illinois
Wichita	Arizona
KENTUCKY (4)	
Daviess Cnty.	Georgia State
Louisville	Kansas
Owensboro	Far West
Pike Cnty.	Arizona
LOUISIANA (3)	
Natchitoches Parish	Georgia State
St. Martin Parish	SEDL
Vermilion Parish	Arizona
MAINE (1)	
Van Buren	Self-Spons
MARYLAND (1)	
Baltimore	Arizona
MASSACHUSETTS (5)	
Cambridge	Bank Street
Fall River	Bank Street
Highland Park School	Afram*
Pittsfield	Kansas
Roxbury Com. Sch.	EDC/Afram*
MICHIGAN (5)	
Alcona Cnty.	Afram*
Detroit	Self-Spons*
Flint	Oregon/Afram*
Grand Rapids	Oregon
West Iron Cnty.	Oregon
MINNESOTA (2)	
Duluth	Far West
Montevideo	Pittsburgh
MISSISSIPPI (4)	
Choctaw	Arizona
Gulfport	Georgia
Leflore Cnty.	High Scope
Tupelo	Oregon

GRANTEE	SPONSOR
MISSOURI (5)	
Central Ozark	High Scope
Kansas City I	Kansas
Kansas City II	REC
New Madrid Cnty.	Kansas
St. Louis	Far West
MONTANA (2)	
Great Falls	North Dakota
Northern Cheyenne	Kansas
NEBRASKA (1)	
Lincoln	Arizona
NEVADA (1)	
Washoe Cnty.	Far West
NEW HAMPSHIRE (1)	
Lebanon	Far West
NEW JERSEY (5)	
Atlantic City	Hampton/Afram*
Lakewood	Arizona
Newark	Arizona
Paterson	EDC
Trenton	Kansas
NEW MEXICO (3)	
Gallup-McKinley Cnty.	North Dakota
Las Vegas	Oregon
Santa Fe	Arizona
NEW YORK (16)	
Buffalo	Far West
Elmira	Bank Street
N.Y.C.: E. Harlem	Afram*
P.S. 6	Kansas
P.S. 33	Self-Spons
P.S. 76	CUNY
P.S. 77	Kansas
P.S. 92	High Scope
P.S. 133	Clark
P.S. 137	Oregon
P.S. 243	Bank Street
St. Colomba, Sacred Heart, & Guardian Angel	Hampton
Plattsburgh	Bank Street
Rochester	Bank Street

*Parent Implemented

GRANTEE	SPONSOR
NORTH CAROLINA (4)	
Cherokee	Oregon
Durham Cnty.	Arizona
Goldsboro	Far West
Johnston Cnty.	EDC
NORTH DAKOTA (2)	
Belcourt	Pittsburgh
Fort Yates	North Dakota
OHIO (4)	
Akron	Pittsburgh
Cleveland	Far West
Dayton	Oregon
Martins Ferry	Georgia
OKLAHOMA (2)	
Chickasha	Arizona
Shawnee	Arizona
OREGON (1)	
Portland	Self-Spons
PENNSYLVANIA (9)	
Lackawanna Cnty.	EDC
Keystone Central School District	Pittsburgh
Philadelphia:	
District I	Self-Spons
District II	Bank Street Kansas; SEDL
District III	Florida
District IV	Kansas
District V	Bank Street Self-Spons* SEDL
District VI	EDC
PUERTO RICO (1)	
Puerto Rico	Self-Spons
RHODE ISLAND (1)	
Providence	Oregon
SOUTH CAROLINA (4)	
Fairfield Cnty.	Florida
McCormick Cnty.	Georgia
Sumter	Far West
Williamsburg Cnty.	Oregon
SOUTH DAKOTA (2)	
Rosebud	Oregon
Todd County	Oregon
TENNESSEE (4)	
Bradley County	Hampton
Chattanooga	Florida
Davidson Cnty.	Clark
DeKalb County	Oregon
TEXAS (7)	
Corpus Christi	Self-Spons
Dimmitt	Oregon
Ft. Worth	Arizona
Houston	Florida
Rosebud	EDC
San Diego	SEDL
Uvalde	Oregon
UTAH (1)	
Salt Lake City	Far West
VERMONT (2)	
Brattleboro	Bank Street
Burlington	EDC
VIRGINIA (2)	
Lee County	Georgia
Richmond	Florida
WASHINGTON (4)	
Burlington (Tried)	North Dakota
Seattle	High Scope
Tacoma	Far West
Yakima	Florida
WEST VIRGINIA (2)	
Monongalia County	Self-Spons
Randolph County	Pittsburgh
WISCONSIN (3)	
Lac du Flambeau	Florida
Marshfield	Far West
Racine	Oregon
WYOMING (1)	
Riverton	High Scope

*Parent Implemented

SUPPLEMENTAL FACT SHEET 5

NATIONAL LONGITUDINAL EVALUATION STUDY OF THE FOLLOW THROUGH PROGRAM

Purpose - to test the effectiveness of Follow Through Models.

Design - examines ten most frequently implemented models. Similar schools within project areas are matched with Follow Through Schools to provide comparisons on both measures of achievement and attitude.

Primary Group Studied - children who entered the program in Fall of 1971 and who will exit in 1975. This group is considered to be the first to enter Follow Through when it was fully operational. (The groups that entered in 1969 and 1970 during the development stages of the program are also receiving some analysis but are not described in the summary table below.)

Results - For cognitive outcomes, the table below shows measures of achievement at the end of the 1971 group's first and second years in the program, and compares the effectiveness of each sponsor's model with a similar group not enrolled in a Follow Through program.

- Affective tests are used to explain and interpret cognitive outcome results. For measures of attitude, the battery of tests shown below for the Kindergarten year (academic motivation and locus of control) will not be repeated until the end of the third grade. In the interim, other measures of attitude are being taken by trained classroom observers. These results at the end of the 1971 group's second year in the program (first grade) are also displayed below. As with measures of academic achievement, the Follow Through schools have been compared with non-Follow Through schools.

- Results for all tests are shown by the following symbols:

+ = Educationally significant difference favoring Follow Through schools
0 = No significant difference between Follow Through and comparison schools
- = Educationally significant difference favoring comparison schools
x = Data not available

(A result is considered educationally significant (+ or -) if it is equal to or greater than 0.25 standard deviations with respect to the population tested.)

	MODELS									
Cognitive Outcomes	A	B	C	D	E	F	G	H	I	J
Reading										
.Kindergarten (Spring, 1972)	+	0	-	+	+	+	+	-	0	0
.First Grade (Spring, 1973)	0	-	-	+	0	0	-	0	-	+
Arithmetic										
.Kindergarten (Spring, 1972)	0	-	-	+	+	+	0	0	+	0
.First Grade (Spring, 1973)	0	-	-	-	+	-	0	+	0	+
Affective Outcomes										
.Kindergarten Tests (Spring, 1972)										
Academic Motivation	+	+	+	0	+	+	+	+	+	-
Feelings of Control over										
Positive Events	0	-	0	0	-	+	0	0	+	+
Negative Events	0	0	0	+	0	0	+	+	+	0
.First Grade Classroom Observation Outcomes (Spring, 1973)										
Independence	+	0	+	-	-	-	x	-	x	x
Task Persistance	-	0	-	-	+	-	x	-	x	x
Cooperation	0	0	+	-	-	+	x	+	x	x
Self esteem	+	+	-	+	-	-	x	-	x	x

Interpretation - There is substantial variation among models with respect to the outcome measures.

(a) Model C. showed losses with respect to one comparison group at the end of kindergarten and first grades on the reading and arithmetic outcome measures.

(b) Model J was the only model to show gains over its comparison group on both cognitive outcomes at the end of first grade.

(c) Model D was able to maintain its gains over the comparison group in reading but not in arithmetic. Model E maintained its gains in arithmetic but not in reading.

(d) All but two models, D and J, showed significant gains over their comparison groups on the academic motivation measure.

(e) The results must be regarded as preliminary at this time. Additional data and further analysis will be required before drawing final conclusions about the effectiveness of Follow Through models.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Educational broadcasting facilities:				
(a) ETV Projects................	$10,000,000	$5,500,000	$5,500,000	---
New awards................	35	18	13	-5
(b) ER Projects.................	2,000,000	1,500,000	1,500,000	---
New awards................	23	21	13	-8
Total.................	12,000,000	7,000,000	7,000,000	---
	58	39	26	-13

Narrative

Program Purpose

To: 1) extend noncommercial broadcast services, with due consideration to equitable geographic coverage throughout the United States; 2) strengthen the capability of existing noncommercial broadcast facilities to broaden educational uses. In order to achieve these objectives, the program stimulates the growth of noncommercial broadcast stations technically capable of providing adequate program services to communities; and also encourages statewide and regional planning and coordination of telecommunications capabilities to utilize fully the potential of public broadcast systems.

The program is authorized by Part IV of Title III of the Communications Act of 1934, as amended, which provides support, through matching grants (75 percent of the cost eligible items necessary to the project), for the acquisition and installation of necessary transmission apparatus required by noncommercial broadcasting stations to meet educational, cultural and informational needs of Americans both in homes and schools.

Noncommercial broadcasting serves the public interest by providing additional educational opportunities for preschool and school-age children, and for adults. About 50 percent of noncommercial television time is devoted to instructional programing to enrich teaching in the classroom. Instructional programing is one of the most effective and economic means of improving the quality and increasing the accessibility of education in this country.

Under existing legislation eligible grantees include: the agency responsible for public education within a State or political subdivision, the State educational television and/or radio agency, tax supported college or university, nonprofit corporation organized primarily to operate an educational television or radio station, a municipality which owns or operates a facility used only for noncommercial educational broadcasting. Beginning with fiscal year 1976, with an extension of the legislative authority, it is contemplated that private, nonprofit institutions of higher education will also become eligible applicants.

Authorization for this program expires with fiscal year 1975. A 5-year extension program has been recommended and new legislation is proposed.

Plans for fiscal year 1976

For fiscal year 1976 an amount of $7,000,000 is being requested. Legislation is being proposed to extend for five years the matching grant program. Utilizing this $7,000,000 in FY 1976, it would be possible to upgrade local stations and extend service as follows:

existing stations - upgrade/expand to correct inadequacies

10 noncommercial television stations
7 noncommercial radio stations

new initiatives - communities without service

3 noncommercial television stations
6 noncommercial radio stations

Accomplishments in fiscal year 1974 and 1975

With a funding level of $15,700,000 in fiscal year 1974, 47 educational television stations and 27 educational radio stations were activated or upgraded/expanded. In fiscal year 1975, the $7,000,000 available supported the activation or upgrading/expansion of approximately 18 educational television stations and 21 educational radio stations. This would raise the coverage of population served with educational television to 80% and with educational radio to 66%. In fiscal year 1975 the Administration is proposing a rescission of $5,000,000 which would eliminate funding for activation of two educational television stations and two educational radio stations and the upgrading of 15 existing ETV stations.

Awards in fiscal years 1974 and 1975 have made it possible to make progress toward reaching the goal of making available radio and television signals where economically feasible to all citizens of the Nation. It has been estimated that up to 380 radio and 380 television stations will be needed to provide nationwide coverage. It is recognized that many established needs remain unfilled.

In 1962, when Federal assistance was first made available for educational television, 80 educational television stations were on the air or under construction. By the end of fiscal year 1975 it is anticipated that the number of such educational television stations will have increased to 259 - 55 of which will have been established with Federal assistance.

In 1967, when Federal assistance was first made available to radio stations, few of the stations on the air had the capability of adequately serving their community. By the end of fiscal year 1975 it is anticipated that 200 stations will have been established or will be in the process of upgrading to become full-service radio stations--54 will have been established with Federal assistance and approximately 100 upgraded with such help.

The achievements made without Federal aid indicate the willingness and ability of the State and local educational agencies and the private sector to meet needs in this area.

EDUCATIONAL BROADCASTING FACILITIES PROGRAM

	(dollars in millions)					
	FY 1974 Actual		FY 1975 Estimate		FY 1976 Estimate	
Beneficiary/Output Data	No.	Amount	No.	Amount	No.	Amount
ETV stations activated	6	2.8	3	1.8	3	1.8
ER stations activated	4	.3	6	.6	6	.6
ETV stations upgraded/expanded	41	11.1	15	3.7	10	3.7
ER stations upgraded/expanded	23	1.4	15	.9	7	.9
	74	15.675	39	7.0	26	7.0
% population served ETV	78.5%		80%		81%	
% population served ER	63.0%		66%		68%	
ETV applications filed	125	41.6	109	34.9	120	38.0
ER applications filed	83	6.5	80	5.9	85	7.0
	208	48.11	189	40.8	205	45.0

Average Awards Granted	Actual FY 73	Actual FY 74	Estimate FY 75	Estimate FY 76
ETV activations	$399,720	$479,135	$500,000	$600,000
ETV stations upgraded/expanded	277,525	270,241	300,000	300,000
ER activations	89,754	110,839	100,000	100,000
ER stations upgraded/expanded	50,074	60,191	70,000	80,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Environmental education				
New awards....................	$1,900,000	$1,900,000	$ ---	$-1,900,000
Number......................	85	85	---	-85

Narrative

Program Purpose

To assist the development of formal and nonformal environmental educational programs for all levels of education. Toward this end competitively awarded contracts and grants are made from pilot and demonstration projects. These awards go to organizations and agencies for resource material development, personnel nonprofit development, elementary and secondary education, and community education projects. Program activities are authorized by the Environmental Education Act (P.L. 91-516), as amended by P.L. 93-278.

Plans for fiscal year 1976

During its existence the Environmental Education program has successfully carried out its role of demonstrating new approaches to environmental education and catalyzing non-Federal efforts. Therefore, no funds are requested for this program in fiscal year 1976.

Accomplishments for fiscal year 1974 and 1975

In fiscal year 1974, $1,900,000 from this appropriation was available to support environmental education projects. The major activity in 1974 was the support of development projects to clarify and refine the conceptual framework and content resource base for environmental education. These projects involve the assessment and review of current and past projects. As a result, basic source material and instructional guides on energy conservation, allocation, and depletion will soon be available to teachers. A total of 106 projects were supported for workshops, pilot projects for material and personnel development, elementary and secondary education, and community education.

In fiscal year 1975, the program will continue its assessment of pilot types and additional basic source material, including a project designed to follow-up the results of the development projects conducted in fiscal year 1974. Approximately 85 projects will be awarded at a total estimated cost of $1,900,000.

Program Purpose and Accomplishments

Activity: Disadvantaged grants (LSEA I)

		1976		1976 Advance for 1977	
1975 Estimate	1975 Revised	Authorization	Budget Estimate	Authorization	Budget Estimate
$1,876,000,000	$1,876,000	$4,102,000,000	$1,900,000,000	$4,079,000,000	$1,900,000,000

Purpose: Grants are made to States and to local school districts to provide special services to educationally deprived children residing in areas of high concentration of low-income families; for migrant children, handicapped children, dependent and neglected children, and juvenile delinquents. These funds are used to supplement existing State and local education outlays. Incentive grants are also made to States, and evaluation of the programs and special studies are authorized.

Explanation: The basic Title I grant entitlement to local school districts is computed on a county basis by multiplying the number of eligible children by 40 percent of the State's average per pupil expenditure (or not less than 80 percent nor more than 120 percent of the national per pupil expenditure). This entitlement is then prorated down to the funds available and grants are made through the State, with a floor provision to ensure that no local educational agency receives less than 85 percent of what they received in prior year.

Accomplishments in 1975: Approximately 6.3 million children in over 14,000 school districts participating in Title I program, with 63 percent of the funds being used for basic skills and 37 percent for supporting services.

Accomplishments in 1976: Approximately 6.3 million children in almost 14,000 school districts are participating in the Title I program to assist State and local educational programs to meet the special needs of these educationally deprived children.

Objectives for 1977: Advance funding in the 1976 appropriation request will support over 5 million children in local school districts and Bureau of Indian Affairs schools schools and over 900,000 in State agency programs.

Activity: Support and innovation services

		1976		1976 Advance for 1977	
1975 Estimate	1975 Revised	Authorization	Budget Estimate	Authorization	Budget Estimate
$141,495,000	$131,638,750	$350,000,00	$172,888,000	Indefinite	$172,888,000

Purpose: To enable states to exercise greater flexibility and responsibility in determining priorities within the areas of 1) support of programs designed to strengthen State Departments of Education; 2) support of local projects for supplementary educational centers and services; 3) support of projects designed to improve nutrition and health services in public and private schools in areas of high concentrations of low income families; and 4) support of dropout prevention programs, Title IV, Section 401. Part C of P.L. 93-380, authorizes the consolidation of the aforementioned into a single grant program, "Educational, Innovation, and Support,"

Explanation: The four categorical programs consolidated into "Educational Innovation and Support" are Title III, ESEA, Supplementary Educational Centers and Services (except guidance, counseling, and testing, Title V, ESEA, Strengthening State and Local Educational Agencies, Title VIII, Section 807, ESEA, Dropout Prevention Projects, and Title VIII, Section 808, ESEA, Grants for Demonstration Projects to Improve School Nutrition and Health Services for Children from Low-Income Families. Allocations to States are determined on the basis of their age five through seventeen population. This program is advance funded which permits States to plan activities more effectively. In fiscal year 1975, the administration is requesting a rescission of $9,856,250 for Title V, ESEA.

Accomplishments in 1975: In 1975 the above categorical programs were operated under their old authority and accomplished the following: Under Title V, funding was provided to 55 States and territories while twenty four projects which permitted State educational agencies to conduct studies and develop strategies to identify common problems and solutions were initiated under section 505. Planning and evaluation support at the local education agency level was provided through ten SEA pilot programs to develop local planning and evaluation models. All fifty-six SEAs began developing a coordinated State/local comprehensive planning and evaluation program. Thirteen hundred demonstration projects providing supplementary services were funded by the States in accordance with their own identified concerns. Three hundred and eighteen projects were funded under the Commissioner's Title III discretionary authority. Three new nutrition health demonstration projects serving 4,000 children were initiated. Comprehensive models were developed to improve the delivery of health and nutrition services to children from low income families. Funds were not appropriated for dropout prevention in FY 1975. Beginning in FY 1976 these activities will be included in the consolidation which will permit the States to exercise greater discretion in channeling funds into this activity.

Objectives for 1976: In FY 1976 the first year of consolidation, 50% of the appropriated funds will be utilized for consolidation and 50% for the operation of the above categorical programs. 48 million elementary and secondary school children including 4.5 million children in public schools will be reached.

Objectives for 1977: In FY 1977, 100 percent of the appropriated funds will be used for consolidation. The same number of school children will be reached as in FY 76.

Activity: Bilingual Education (Elementary and Secondary Education Act, as amended, Title VII)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$84,270,000*	$69,270,000*	$140,000,000	$70,000,000

Purpose: To assist local educational agencies in responding to the special educational needs of children of limited English speaking ability so that they might have equal educational opportunity, title VII of the Elementary and Secondary

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* Amounts shown exclude $8,000,000 appropriated in FY 1974 but obligated during FY 1975. Also excluded for comparability is $730,000 for the Needs Assessment which will be continued in FY 1976 with funds appropriated to the Assistant Secretary for Education.

Education Act authorizes the Commissioner to provide financial assistance to encourage the establishment and operation, where appropriate, of educational programs using bilingual education practices, techniques, and methods.

Explanation: Discretionary grants are authorized for the development and demonstration of bilingual education programs. Grants or contracts are authorized for training activities and for assisting the Commissioner in establishing, publishing, and distributing suggested models of bilingual education with respect to pupil-teacher ratios, teacher qualifications and other factors affecting the quality of instruction offered in such programs. The program is forward-funded.

Accomplishments in 1975: From the revised 1975 request of $69,270,000, $46,170,000 will continue in school year 1975-76 an estimated 292 classroom demonstration projects initiated in prior years. Of the $16,000,000 earmarked for training, $9,900,000 will fund inservice training for an estimated 10,950 classroom personnel; $2,500,000 will support a mimimum of 714 pre-service traineeships; $600,000 will provide 100 teacher training fellowships; and $3,000,000 will enable about 20 institutions of higher education improve their bilingual education graduate programs. An amount of $7,000,000 for up to 10 projects will be used for materials development, assessment, and dissemination of special instructional materials for bilingual education classrooms. Finally, $100,000 has been earmarked for the National Advisory Council on Bilingual Education. This request initiated the capacity building strategy whereby Federal support is to be targeted to the extent possible on generating those resources -- trained teachers and materials of proven quality -- that will enable local education agencies provide equal educational opportunity to children of non-or limited English speaking ability. In fiscal year 1976 the Administration is requesting a rescission of $15,000,000.

Objectives for 1976: To continue the capacity building strategy, the request of $70,000,000 will be distributed among program components in essentially the same proportion as that of the revised fiscal year 1975 request. For approximately 289 demonstration models, including up to 40 new starts, $46,900,000 will be provided. The $16,000,000 for training activities includes $8,130,000 to 990 administrators and counselors, 4,000 teachers and 4,000 aides participating in the demonstrations; $4,270,000 for a minimum of 1,220 awards of up to $3,500 for pre-service traineeships; $600,000 for 100 graduate fellowships in bilingual education teacher training and $3,000,000 to enable some 20 institutions of higher education improve their graduate bilingual education training capabilities. Up to 10 materials development/assessment/dissemination projects will be funded out of $7,000,000 earmarked for that purpose and $100,000 will support the work of the Bilingual Education Advisory Council.

Activity: Right to read

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$12,000,000	$12,000,000	1/	$12,000,000

1/ Authorized under Title VII of the Education Amendments of 1974 (P.L. 93-380) which has authorizations as follows for fiscal year 1976:

Parts A and B : $82,000,000 (amounts for Part B can only be excess above $30,000,000 appropriated for Parts A and B)
Part C, Sec. 721: $20,000,000
Sec. 723: $ 7,500,000
Part D : No more than 1% of the total Title VII funding

Purpose: The purpose of the Right to Read program authorized by Title VII of the Education Amendments of 1974, is to provide facilitating services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading. The Right to Read program is both an impetus to and a component of a large National Reading Effort. The goal of this National Effort is to eliminate functional illiteracy in this country to the extent that by 1980, 99 percent of the population sixteen years of age and 90 percent of the population over sixteen years of age will be functionally literate.

Explanation: Eligible grantees include local educational agencies, institutions of higher education, State education agencies, and other public and private agencies. Awards are made for 12-month periods.

Accomplishments in 1975: Nineteen State education agencies will receive new funds and 31 will receive continuation grants to train local Right to Read directors in order to cover all the States. Thirty school-based sites and 55 community-based sites will be funded to demonstrate effective approaches to reading and literacy. Other activities included initiation of the Reading Academy program with 15 new grants; dissemination of Right to Read materials, and funding of a mini-assessment of the reading achievement of out-of-school 17-year olds. In fiscal year 1974 and 1975, 34 grants were awarded for the design and implementation of improved reading education programs.

Objectives for 1976: In fiscal year 1976, the Right to Read program will begin implementing Title VII of P.L. 93-380. Previously, the program was authorized by the Cooperative Research Act. Under the new legislation 44 reading improvement projects will be funded, 20 special emphasis projects, and 50 reading academies. In addition, one program evaluation project will be funded.

Activity: Follow Through (Head Start - Follow Through Act of 1974.
P.L. 93-644)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$53,000,000	$47,000,000	$60,000,000	$41,500,000

Purpose: This program is an experimental program designed to develop and test effective ways of educating disadvantaged children in the early primary grades (K-3). The program is to be phased out beginning in September, 1975.

Explanation: Grants are awarded to local school districts most of which are assisted in the implementation of educational approaches developed by sponsoring agencies or groups. Twenty-two sponsors and 169 projects testing the models comprise this experiment together with a national longitudinal evaluation of the 10 most frequently implemented approaches.

Accomplishments in 1975: The bulk of the $47,000,000 will forward fund activities in school year 1975-76, the first year of phase-out when no new children will be enrolled in the program at the entry level. Phase-out will continue at the rate of one grade level per year. Therefore, the group that entered the program for the first time in September, 1974 was the last new group to enroll and school year 1977-78 will be the last year of program operation. During 1975-76, Federal support for those children already in the program (grades 1-3) will be maintained, as will support for most other components of program operation, albeit at reduced levels. In fiscal year 1976 the Administration is proposing a rescission of $6,000,000.

Objectives for 1976: The $41,500,000 request will provide $9,792,000 to complete the funding of the 1975-76 school year and $31,708,000 to forward fund activities in school year 1976-77, the second year of phase-out when only grades 2 and 3 will be in operation. In accordance with phase-out, reductions will be made in most program components including site support, sponsor costs, supplementary training of paraprofessionals and State technical assistance. However, costs for evaluation activity in this next to last year of program operation will increase by $3,702,000 from FY 1975 to $6,039,000 in order to complete the national longitudinal evaluation and to conduct a cost study and fourth grade follow up on assessing model effectiveness.

Activity/Subactivity: Educational broadcasting facilities

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$12,000,000	$7,000,000	1/	$7,000,000

1/ The Education Broadcasting Facilities Program is authorized at $30 million for fiscal year 1975, the last of a 2-year authority.

Purpose: This program is designed to improve and extend the delivery of educational programs through the use of technology-based systems.

Explanation: This program was authorized by Part IV of Title III of the Communications Act of 1934, as amended. This legislation was extended in 1973 to continue the Corporation for Public Broadcasting and the broadcast facilities program. Facilities purchased with matching grants from this program enable States and locally-controlled public television and radio stations to air educational and community-service programs. Public broadcasting stations provide national and local audiences with TV programs as an alternative to programs offered by commercial stations and networks. New legislation is being proposed for 1976. In fiscal year 1975 the Administration is requesting a rescission of $5,000,000.

Accomplishments in 1975: Educational broadcasting facilities program will help improve the facilities of 15 educational television stations and 15 radio stations. Grants also will help activate 3 new educational television stations and [illegible] radio stations. By the end of 1975, almost 80% of the nation will be able to receive educational television signals; around 65% will be capable of receiving educational radio signals.

Objectives for 1976: Educational broadcasting facilities program grants with $7 million will assist in the improvement or expansion of 10 educational television stations and 7 radio stations. Support will also be given to help activate 5 new educational television non-commercial stations and 6 educational radio stations.

Activity: Environmental Education

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$1,900,000	$1,900,000	$10,000,000	$ ---

Purpose: The goal of this program, which is authorized by the Environmental Education Act, P.L. 91-516, as amended by P.L. 93-278, is to help assure the availability of locally relevant, effective, and usable environmental education resources and thus promote adequate opportunities for citizens, particularly educational personnel, to achieve "environmental literacy" for environmental improvement and stimulate States, local educational agencies and others to support environmental education programs.

Explanation: Funds for this program are awarded on a competitive basis to any non-profit agency, institution or organization for carrying out environmental education demonstration projects.

Accomplishments in 1975: In fiscal year 1975, 85 projects received support for the development of resource materials, the training of educational personnel, pilot elementary, secondary and community education projects.

Objectives for 1976: No funds are requested for the program.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Office of Education

Elementary and Secondary Education
Title I, Assistance for Educationally Deprived Children
Parts A, B, and C

State or Outlying Area	1975 Part A	1975 Part B	1975 Part C
TOTAL	$1,813,396,802[1/]	$14,000,000	$38,000,000
Alabama	42,342,274	---	323,186
Alaska	4,927,457	344,123	82,442
Arizona	16,491,799	---	261,335
Arkansas	26,282,332	---	210,492
California	150,576,489	---	4,560,000
Colorado	16,909,275	77,851	429,533
Connecticut	16,823,513	52,170	757,626
Delaware	5,358,082	109,830	---
Florida	62,916,518	---	926,063
Georgia	46,497,190	---	489,859
Hawaii	5,147,101	---	202,576
Idaho	5,794,025	---	65,689
Illinois	91,968,259	---	3,587,211
Indiana	24,847,116	---	403,981
Iowa	15,938,716	35,758	237,504
Kansas	13,869,391	---	256,005
Kentucky	33,285,694	---	285,505
Louisiana	50,727,715	759,994	572,884
Maine	6,817,915	239,965	62,067
Maryland	30,034,920	158,312	860,837
Massachusetts	35,071,272	221,634	1,540,227
Michigan	75,651,842	2,100,000	2,606,854
Minnesota	27,065,955	1,756,548	562,463
Mississippi	40,776,116	---	275,162
Missouri	31,904,779	---	557,742
Montana	5,985,565	143,732	70,348
Nebraska	9,215,027	---	135,467
Nevada	2,363,709	---	55,821
New Hampshire	3,365,779	---	65,613
New Jersey	55,536,809	1,103,357	2,630,473
New Mexico	15,124,928	698,871	153,454
New York	209,551,946	2,100,000	4,560,000
North Carolina	53,568,953	---	517,424
North Dakota	5,666,131	---	38,408
Ohio	58,345,686	---	1,360,652
Oklahoma	20,864,083	---	229,709
Oregon	17,011,162	392,989	337,222
Pennsylvania	87,407,222	1,372,627	2,349,863
Rhode Island	6,581,981	---	244,404
South Carolina	33,843,763	---	286,613

State or Outlying Area	1975 Part A	1975 Part B	1975 Part C
South Dakota	6,260,213	---	78,688
Tennessee	39,013,032	---	375,513
Texas	122,067,077	---	1,495,667
Utah	6,015,638	173,307	156,906
Vermont	3,758,896	370,341	25,438
Virginia	38,897,610	---	590,196
Washington	24,441,509	433,544	666,509
West Virginia	17,496,096	---	185,059
Wisconsin	28,368,191	1,155,445	501,413
Wyoming	2,761,820	199,602	30,542
District of Columbia	11,228,389	---	741,355
Outlying areas	21,219,790	---	---
Puerto Rico	29,410,052	---	---

[1] Appropriation, $1,876,000,000: Part A, $1,792,177,012; Outlying areas. $21,219,790; Part B, $14,000,000; Part C $38,000,000; Studies, $3,450,000; Evaluation, $6,400,000; additional reserve for Handicapped, $750,500; Undistributed, $2,698.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Office of Education

Elementary and Secondary Education
Title III of the Elementary and Secondary Education Act

State or Outlying Area	1974 Actual	1975 Estimate1/	1975 Revised1/	1976 Estimate2/
TOTAL	$146,081,480	$119,775,000	$119,775,000	$ ---
Alabama	2,449,468	2,008,862	2,008,862	---
Alaska	539,162	511,694	511,694	---
Arizona	1,425,868	1,277,850	1,277,850	---
Arkansas	1,483,609	1,273,489	1,273,489	---
California	12,658,630	10,180,656	10,180,656	---
Colorado	1,670,727	1,451,951	1,451,951	---
Connecticut	2,119,208	1,765,468	1,765,468	---
Delaware	681,038	619,436	619,436	---
Florida	4,337,343	3,692,024	3,692,024	---
Georgia	3,168,026	2,607,665	2,607,665	---
Hawaii	808,632	731,565	731,565	---
Idaho	787,531	709,132	709,132	---
Illinois	7,241,045	5,805,553	5,805,553	---
Indiana	3,558,086	2,878,319	2,878,319	---
Iowa	2,028,533	1,693,313	1,693,313	---
Kansas	1,664,413	1,380,778	1,380,778	---
Kentucky	2,268,436	1,887,976	1,887,976	---
Louisiana	2,643,652	2,172,413	2,172,413	---
Maine	938,388	826,356	826,356	---
Maryland	2,729,393	2,260,476	2,260,476	---
Massachusetts	3,740,901	3,053,879	3,053,879	---
Michigan	6,011,625	4,834,371	4,834,371	---
Minnesota	2,707,542	2,200,052	2,200,052	---
Mississippi	1,726,634	1,442,652	1,442,652	---
Missouri	3,145,843	2,548,598	2,548,598	---
Montana	778,266	691,792	691,792	---
Nebraska	1,225,547	1,057,087	1,057,087	---
Nevada	638,079	596,786	596,786	---
New Hampshire	782,786	707,989	707,989	---
New Jersey	4,687,547	3,836,489	3,836,489	---
New Mexico	1,002,483	885,034	885,034	---
New York	11,317,079	9,072,324	9,072,324	---
North Carolina	3,445,821	2,805,551	2,805,551	---
North Dakota	731,658	653,415	653,415	---
Ohio	7,043,933	5,593,249	5,593,249	---
Oklahoma	1,833,574	1,539,157	1,539,157	---
Oregon	1,574,962	1,342,169	1,342,169	---
Pennsylvania	7,533,983	6,007,767	6,007,767	---
Rhode Island	885,353	782,683	782,683	---
South Carolina	1,933,956	1,628,547	1,628,547	---

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised 1/	1976 Estimate 2/
South Dakota	759,238	672,376	672,376	$ ---
Tennessee	2,685,524	2,221,769	2,221,769	---
Texas	7,439,729	6,053,003	6,053,003	---
Utah	1,018,080	899,611	899,611	---
Vermont	614,620	564,186	564,186	---
Virginia	3,155,554	2,583,855	2,583,855	---
Washington	2,373,199	1,924,986	1,924,986	---
West Virginia	1,368,140	1,165,073	1,165,073	---
Wisconsin	3,087,703	2,526,368	2,526,368	---
Wyoming	552,486	511,937	511,973	---
District of Columbia	760,407	671,494	671,494	---
American Samoa	188,028	123,093	123,093	---
Guam	262,424	255,038	255,038	---
Puerto Rico	3,144,654	1,768,025	1,768,025	---
Trust Territory	282,758	279,212	279,212	---
Virgin Islands	210,427	217,806	217,806	---
BIA	296,649	322,601	322,601	---
Adjustment	-67,000			

1/ Estimated distribution of $120,000,000 with $225,000 reserved for the Advisory Council and $119,775,000 distributed as per memorandum from the Office of General Council, 2/23/68. One percent of $119,775,000 reserved for the outlying areas.

2/ In fiscal year 1976, funds for this program will be provided under Title IV, Part C, Consolidation.

DEPARTMENT OF HEALTH EDUCATION, AND WELFARE
Office of Education

Elementary and Secondary Education
Title IV, Part C, Educational Innovation and Support

State or Outlying Area	1975 Actual1/	1976 Estimate3/	1977 Estimate3/
TOTAL	$ ---	$168,952,375	$172,888,000
Alabama	---	2,903,412	2,946,602
Alaska	---	733,014	310,685
Arizona	---	1,925,516	1,739,836
Arkansas	---	1,830,010	1,622,103
California	---	14,020,378	15,985,562
Colorado	---	2,153,263	2,014,547
Connecticut	---	2,523,532	2,462,588
Delaware	---	878,251	480,744
Florida	---	5,213,364	5,608,683
Georgia	---	3,780,898	4,002,932
Hawaii	---	1,047,673	686,777
Idaho	---	1,026,840	660,615
Illinois	---	7,947,805	9,000,055
Indiana	---	4,101,135	4,382,294
Iowa	---	2,415,507	2,341,584
Kansas	---	1,939,426	1,752,918
Kentucky	---	2,710,786	2,701,325
Louisiana	---	3,185,435	3,332,506
Maine	---	1,188,006	850,296
Maryland	---	3,273,927	3,391,373
Massachusetts	---	4,258,254	4,549,083
Michigan	---	6,848,227	7,734,423
Minnesota	---	3,204,387	3,316,154
Mississippi	---	2,136,807	2,034,169
Missouri	---	3,594,490	3,761,302
Montana	---	997,205	627,911
Nebraska	---	1,502,657	1,236,199
Nevada	---	857,935	451,311
New Hampshire	---	1,016,229	647,533
New Jersey	---	5,289,554	5,821,257
New Mexico	---	1,304,711	1,010,544
New York	---	12,132,324	13,853,283
North Carolina	---	3,999,809	4,235,128
North Dakota	---	927,398	546,152
Ohio	---	7,774,074	8,784,211
Oklahoma	---	2,195,683	2,037,440
Oregon	---	1,915,721	1,716,944
Pennsylvania	---	8,114,073	9,137,411
Rhode Island	---	1,091,383	732,563
South Carolina	---	2,381,203	2,312,151

State or Outlying Area	1975 Actual1/	1976 Estimate2/	1977 Estimate3/
South Dakota	---	957,654	578,855
Tennessee	---	3,168,822	3,224,584
Texas	---	8,586,199	9,706,455
Utah	---	1,323,732	1,023,625
Vermont	---	798,549	382,633
Virginia	---	3,713,306	3,891,739
Washington	---	2,763,343	2,737,299
West Virginia	---	1,641,217	1,380,096
Wisconsin	---	3,632,361	3,852,495
Wyoming	---	723,753	291,063
District of Columbia	---	912,548	506,907
Puerto Rico	---	2,709,424	2,801,293
American Samoa) Guam Trust Territory) Virgin Islands)	---	1,680,965	1,711,762

1/ In FY 1975, Title IV, Part C was not in effect and all appropriated funds were used for categorical programs.

2/ Total appropriations, 172,888,000 with 1% ($1,711,762) of the 50 States, D.C., and Puerto Rico amount reserved for the outlying areas, Bureau of Indian Affairs and Department of Defense. Distribution of funds under provisions of Sec. 401(c)(2): 50% amount, $86,444,000; P.L. 89-10, Title III amount, $63,781,500, P.L. 89-10, Title V amount, $9,712,500; Dropout Prevention, Sec. 807, $2,000,000 and Nutrition and Health, Sec. 808, $950,000. A total of $2,000,000 for Dropout Prevention, $950,000 for Nutrition and Health and $985,625 for Title V are not distributed by State but in accordance with the discretion of the Commissioner.

3/ Distribution of $172,888,000 with 1% ($1,711,762) reserved for the areas, BIA and DOD and the remainder distributed on the basis of the 5-17 population 7/1/73 for 50 States, D.C., and 4/1/70 for Puerto Rico.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Office of Education

Elementary and Secondary Education
Title V, Part A, of the Elementary and Secondary Education Act

State or Outlying Area	1974 Actual	1975 Estimate[1]	1975 Revised[2]	1976 Estimate[3]
TOTAL	$32,936,820	$32,941,250	$24,705,938	$ ---
Alabama	592,120	580,861	433,386	---
Alaska	288,664	286,806	214,398	---
Arizona	448,433	455,204	353,998	---
Arkansas	447,080	445,238	331,367	---
Califronia	2,187,405	2,146,901	1,607,056	---
Colorado	490,477	492,762	370,517	---
Connecticut	533,505	530,891	400,405	---
Delaware	309,946	307,441	230,445	---
Florida	874,667	888,785	677,505	---
Georgia	712,796	710,141	533,661	---
Hawaii	330,392	327,519	244,945	---
Idaho	331,006	328,649	248,325	---
Illinois	1,253,452	1,240,462	926,558	---
Indiana	770,546	765,015	572,333	---
Iowa	527,658	523,160	388,965	---
Kansas	464,795	450,995	334,797	---
Kentucky	555,969	551,899	413,984	---
Louisiana	610,934	607,171	456,109	---
Maine	356,769	356,361	266,250	---
Maryland	640 769	638,788	478,046	---
Massachusetts	753,894	757,455	571,608	---
Michigan	1,178,968	1,176,659	863,856	---
Minnesota	637,366	634,052	474,635	---
Mississippi	475,708	472,592	353,535	---
Missouri	683,359	684,752	512,636	---
Montana	328,024	325,851	242,888	---
Nebraska	392,905	389,532	290,987	---
Nevada	307,917	306,322	231,230	---
New Hampshire	322,173	321,670	242,709	---
New Jersey	882,795	881,827	659,576	---
New Mexico	372,970	370,956	278,368	---
New York	1,732,748	1,735,422	1,285,717	---
North Carolina	747,643	740,070	561,513	---
North Dakota	313,900	310,482	232,151	---
Ohio	1,278,293	1,271,405	944,910	---
Oklahoma	516,218	506,595	379,360	---
Oregon	454,328	449,436	339,768	---
Pennsylvania	1,249,677	1,245,553	926,802	---
Rhode Island	333,352	330,768	246,890	---
South Carolina	525,845	513,627	387,622	---

State or Outlying Area	1974 Actual	1975 Estimate[1/]	1975 Revised[2/]	1976 Estimate[3/]
South Dakota	$ 322,663	$ 319,270	$ 238,267	$ ---
Tennessee	630,490	626,521	475,376	---
Texas	1,435,061	1,404,300	1,073,396	---
Utah	381,712	379,727	285,447	---
Vermont	297,473	295,730	221,949	---
Virginia	704,669	701,322	533,474	---
Washington	591,588	583,860	438,981	---
West Virginia	422,750	423,568	318,343	---
Wisconsin	673,500	670,099	502,205	---
Wyoming	289,525	287,095	215,317	---
District of Columbia	313,098	309,801	231,430	---
American Samoa	73,165	74,589	56,496	---
Guam	80,264	85,129	63,671	---
Puerto Rico	345,313	550,470	414,883	---
Trust Territory	82,638	87,990	66,070	---
Virgin Islands	77,445	81,704	60,822	---

[1/] Estimated distribution of $34,675,000 with 5% ($1,733,750) reserved for Sec. 505; 1% for the outlying areas, the remainder distributed with 40% in equal payments and 60% on the basis of public school elementary and secondary enrollment, Fall 1972. The amount for the areas is distributed with a basic amount of $70,000 and the balance on the public school enrollment.

[2/] Estimated distribution of $26,006,000 with 5% ($1,300,312) reserved for Sec. 505; 1% ($247,059) of balance reserved for outlying areas and the balance distributed with a basic amount of $188,145 to the 50 States, D.C., and Puerto Rico; the remainder distributed on the basis of the public school elementary and secondary enrollment.

[3/] In fiscal year 1976, funds for this program will be provided under Title IV, Part C, Consolidation.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Office of Education

Elementary and Secondary Education
Title V, Part C, of the Elementary and Secondary Education Act

State or Outlying Area	1974 Actual	1975 Estimate[1]	1976 Revised[2]	1976 Estimate[3]
TOTAL	$4,749,408	$4,750,000	$3,562,500	$ ---
Alabama	83,738	83,269	62,484	---
Alaska	40,748	40,520	30,462	---
Arizona	61,728	62,430	48,409	---
Arkansas	62,934	63,032	47,510	---
California	311,266	309,188	233,766	---
Colorado	67,349	67,794	51,799	---
Connecticut	78,063	77,371	57,651	---
Delaware	44,080	43,811	32,793	---
Florida	131,657	134,445	107,088	---
Georgia	99,679	99,481	75,382	---
Hawaii	47,209	47,088	35,501	---
Idaho	46,491	46,272	35,027	---
Illinois	187,960	186,571	137,144	---
Indiana	107,535	106,878	79,809	---
Iowa	75,245	74,749	55,348	---
Kansas	67,078	66,509	49,566	---
Kentucky	80,880	80,394	60,309	---
Louisiana	86,528	86,172	64,332	---
Maine	50,216	49,897	37,478	---
Maryland	90,781	90,318	67,593	---
Massachusetts	114,551	113,699	84,455	---
Michigan	157,760	156,730	117,051	---
Minnesota	88,790	88,031	65,844	---
Mississippi	66,983	66,349	50,099	---
Missouri	100,397	99,668	74,344	---
Montana	46,125	45,750	34,394	---
Nebraska	56,934	56,611	42,380	---
Nevada	43,417	43,302	32,793	---
New Hampshire	46,775	46,526	35,116	---
New Jersey	135,449	134,472	99,577	---
New Mexico	50,663	50,561	38,219	---
New York	285,031	281,847	206,132	---
North Carolina	106,370	106,008	80,136	---
North Dakota	45,015	44,653	33,426	---
Ohio	181,960	179,589	133,250	---
Oklahoma	71,724	71,392	53,905	---
Oregon	65,480	65,399	49,526	---
Pennsylvania	197,698	195,413	144,102	---
Rhode Island	49,498	49,134	36,391	---
South Carolina	72,171	72,127	54,646	---

State or Outlying Area	1974 Actual	1975 Estimate[1]	1975 Revised[2]	1976 Estimate[3]
South Dakota	45,638	45,269	33,871	---
Tennessee	90,606	90,639	67,939	---
Texas	191,291	191,386	146,227	---
Utah	51,340	51,248	38,723	---
Vermont	42,658	42,326	31,775	---
Virginia	100,438	99,909	75,639	---
Washington	83,128	81,892	61,485	---
West Virginia	60,455	60,183	44,831	---
Wisconsin	97,092	96,712	72,258	---
Wyoming	41,100	40,801	30,679	---
District of Columbia	46,708	46,233	34,276	---
American Samoa	8,119	7,665	5,748	---
Guam	9,327	13,872	10,404	---
Puerto Rico	59,517	72,449	53,935	---
Trust Territory	8,796	14,509	10,882	---
Virgin Islands	9,341	11,454	8,591	---

1/ Estimated distribution of $4,750,000 with 1% ($47,500) for outlying areas and the balance distributed with 40% in equal payments and 60% distributed on the basis of total resident population, July 1, 1973 for 50 States and D.C., and April 1, 1970 for Puerto Rico.

2/ Estimated distribution of $3,562,500 with 1% ($35,625) reserved for outlying areas, and the balance distributed with 40% in equal payments ($27,130) and 60% distributed on the basis of total resident population, July 1, 1973 for 50 States and D.C., and April 1, 1970 for Puerto Rico. Amount for the areas distributed with 40% in equal payments and 60% on the basis of total resident population, April 1, 1970.

3/ In fiscal year 1976 funds for this program will be provided under Title IV, Part C, Consolidation.

Justification

Elementary and Secondary Education

	1976 Estimate	Interim Estimate July 1 - Sept. 30
Grants for disadvantaged	$1,900,000,000	--- 1/
Support and Innovation grants. .	172,888,000	--- 1/
Bilingual education	70,000,000	---
Right to Read	12,000,000	---
Follow Through.	41,500,000	---
Educational Broadcasting facilities	7,000,000	---
Total	2,203,388,000	--- 1/

1/ No funds are requested for this interim period, however, money requested as advance funding for Titles I and IV of the Elementary and Secondary Education Act are available from July 1, 1976 through September 1977.

Narrative

No funds are being requested for any of the above programs for the period July 1 through September 1976, since the programs either do not normally obligate this period or in the case of Titles I and IV funds requested under the Advance funding authority will be available for this period.

The entire 1976 advance appropriation--which will cover the project period July 1, 1976 to June 30, 1977--will be made available to the States during the interim period. The appropriations to cover the next project period--July 1, 1977 to June 30, 1978--will be requested in the regular FY 1977 budget and no new appropriation action will be required during the interim period.

Appropriation Estimate

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), [$656,016,000 of which $636,016,000, including $43,000,000] *$66,000,000 of which $46,000,000* for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and [$20,000,000] *$10,000,000*, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: [Provided, That none of the funds contained herein shall be available to pay any local educational agency in excess of 70 percentum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: Provided further, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 percentum of the amount to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 percentum of the total number of children in such schools:] 1/Provided, That with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 percentum of the amounts payable under section 5 and subsections 14(a) and 14(b): Provided further, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 percentum may be used to fund section 5 of said Act.

For "School assistance in Federally affected areas" for the period July 1, 1976 through September 30, 1976, $5,000,000. (Supplemental Appropriations Act, 1975.)

Explanation of Language Changes

1/ This portion of the appropriation language is being deleted because funds for these sections (Sections 3(a) and 3(b)) are being proposed for later transmittal, pending the enactment of new legislation.

Language Provision	Explanation
Provided, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 percentum of the amounts payable under section 5 and subsections 14(a) and 14(b).	Although the basic law proposes to fund Section 10 in full prior to funding any other section, the Administration proposes to set aside $1,000,000 for minor repairs to facilities constructed under Section 10, the balance of the appropriation to be allocated to Sections 5 and 14(a) and 14(b).
Provided further, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 percentum may be used to fund section 5 of said Act.	The basic law gives Sections 14(a) and 14(b) (assistance for children residing on Indian lands) priority equal to Section 10. The budget proposes to fund Sections 14(a) and 14(b) at a higher level than Section 10, and to fund Section 5 (assistance for areas impacted by military installations) at a higher level than the basic law provides.

Amounts Available for Obligation

	1975 Revised	1976 1/
Appropriation	$656,016,000	$56,000,000
Unobligated balance, start of year	930,000	---
Unobligated balance, end of year	---	---
Total, obligations	656,946,000	56,000,000

1/ Excludes $210,000,000 proposed for later transmittal, pending the enactment of proposed legislation.

Summary of Changes

1975 Estimated obligations..	$656,016,000
1976 Estimated obligations..	56,000,000
Net Change..	-600,016,000

	1975 Base	Change from Base
Increases:		
Program:		
1. Payments to other Federal agencies.....	$ 43,000,000	$ +3,000,000
Total, increases..................		+3,000,000
Decreases:		
Program:		
1. Payments for "a" children..............	223,900,000	-223,900,000
2. Payments for "b" children..............	354,616,000	-354,616,000
3. Special Provisions......................	14,500,000	-14,500,000
Subtotal..	593,016,000	-593,016,000
4. Construction............................	20,000,000	-10,000,000
Total, decreases..................		-603,016,000
Total, net change............................		-600,016,000

Explanation of Changes

Increases:

1. **Payments to other Federal agencies** - An increase of $3,000,000 is requested to fund those children who attend school on Federal property at full entitlement as called for in the basic law.

Decreases:

1. **Payments for "a" children** - New legislation is being proposed for this activity and funds will be sought under a supplemental request.

2. **Payments for "b" children** - New legislation is being proposed for this activity and funds will be sought under a supplemental request.

3. **Special provisions** - New legislation is being proposed for this activity and funds will be sought under a supplemental request.

4. **Construction** - A decrease of $10,000,000 will provide urgently needed minimum school facilities to local education agencies which meet the eligibility requirements specified by the Act.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Maintenance and operations:				
(a) Payments for "a" children...........	$223,900,000	$223,900,000	$ ---1/	- $ 223,900,000 1/
(b) Payments for "b" children...........	354,616,000	354,616.000	---1/	- 354,616,000 1/
(c) Special provisions..	14,500,000	14,500,000	---1/	- 14,500,000 1/
(d) Payments to other Federal agencies..	43,000,000	43,000,000	46,000,000	+ 3,000,000
Subtotal.....	636,016,000	636,016,000	46,000,000	- 590,016,000
Construction.............	20,000,000	20,000,000	10,000,000	-10,000,000
Total obligations	656,016,000	656,016,000	56,000,000	-600,016,000

1/ Funds for these activities will be proposed for later transmittal, pending the enactment of new legislation.

Obligation by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Lands and structures......	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ ---
Grants, subsidies, and contributions............	655,946,000	655,946,000	55,000,000	-600,946,000
Total obligations by object................	656,946,000	656,946,000	56,000,000	-600,946,000

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation requested
School Assistance in Federally Affected Areas:		
Public Law 874 Maintenance and Operations, as amended by Public Law 93-380		
Section 2	$ 11,000,000	$ ---
Section 3	950,222,000 1/	---
Section 4	100,000	---
Section 6	46,000,000	46,000,000
Section 7	2/	2/
Section 302	50,000	---
Public Law 815 Construction 3/		
Section 5	37,000,000	4,275,000
Section 8	2,000,000	---
Section 9	1,000,000	---
Section 10	15,000,000	1,000,000
Section 14	15,000,000	4,725,000
Section 16	2/	2/

1/ Includes all low-rent housing pupils.

2/ Requirements are unpredictable. They are payable out of the regular appropriation, subject to replacement by supplemental appropriations as needed.

3/ The authorization column for construction includes the anticipated funding level for new applications in 1976 and excludes an unfunded backlog of eligible or potentially eligible applications which is estimated at $300,025,403 as of 6/30/75.

School Assistance in Federally Affected Areas

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$396,370,000	$437,370,000	$437,370,000	$437,370,000
1967	205,717,000	468,517,000	507,368,000	468,517,000
1968	438,517,000	529,482,000	463,282,000	529,482,000
1969	409,697,000	520,207,000	520,207,000	520,207,000
1970	201,107,000	519,507,000	599,107,000	519,507,000
1971	425,000,000	638,900,000	671,700,000	549,968,000
1972	439,300,000	606,880,000	676,890,000	611,880,000
1973	430,910,000	641,405,000	681,405,000	671,405,000
1974	292,500,000	610,000,000	633,000,000	593,416,000 1/
1975	340,300,000	656,016,000	656,016,000	656,016,000
1976	56,000,000			

NOTE: In order to reflect comparability with the 1973 estimate this table excludes all funds for Technical services under P.L. 815.

1/ The amount available for obligation after application of a 5 percent reduction provision in the fiscal year 1974 appropriation.

Justification

School Assistance in Federally Affected Areas

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
School Assistance in Federally Affected Areas:				
(a) Maintenance and operations:				
(1) Payments for "a" children........	$223,900,000	$223,900,000	$ ---1/	$-223,900,0001/
(2) Payments for "b" children........	354,616,000	354,616,000	---1/	-354,616,0001/
(3) Special provisions............	14,500,000	14,500,000	---1/	-14,500,0001/
(4) Payments to other Federal agencies	43,000,000	43,000,000	46,000,000	+3,000,000
Subtotal.....	636,016,000	636,016,000	46,000,000	-590,016,000
(b) Construction...........	20,000,000	20,000,000	10,000,000	-10,000,000
Total.............	656,016,000	636,016,000	56,000,000	-600,016,000

1/ Funds for these activities will be proposed under later transmittal, pending the enactment of new legislation.

General Statement

In order to provide for the cost of educating children in areas where enrollments are affected by Federal activities, Title I of Public Law 81-874 and Public Law 81-815 provide funds for these purposes; Public Law 81-874 for current operating assistance and Public Law 81-815 for construction assistance. Most of the funds are provided on the basis of children claimed by local educational agencies in connection with Federal properties as residing on, and/or having a parent employed on, Federal property, or in one of the Uniformed Services. Substantial funds are provided to school districts educating Indian children because Indian lands are eligible Federal property under both laws.

Both Public Laws 81-874 and 81-815 authorize Federal payments directly to eligible local educational agencies. Applications for assistance under both laws are submitted to the Commissioner of Education through the State education agencies, which certify that the data contained therein are accurate insofar as records in State offices are concerned.

In 1976 the total request for Impact Aid is $266 million. This request includes $56 million to be appropriated under existing authority and a request for $210 million proposed for later transmittal which would be under the authority of new legislation.

Both Public Laws 81-874 and 81-815 were amended by Public Law 93-380 (the Education Amendments of 1974). These amendments would substantially alter the authorization and funding distribution procedures in fiscal year 1976. Public Law 93-380 establishes a three-tier funding formula for funding the various sections of the law. This new funding procedure would not mean a reduction of funds, but it would eventually bring about considerable modifications in the manner that funds are distributed, though a number of "hold-harmless" provisions would make any such changes very gradual. Further, public housing children would be counted for the first time for payment purposes (on the "B" category base).

However, new legislation is being proposed by the Administration which would replace the tier-funded formula. It will result in all districts absorbing a greater share of impact aid costs. The proposed legislation seeks to fund Sections 2, 3(a), 3(b), 3(c)(4), 3(e), and 4 in a manner similar to 1975. Once entitlements are established, each school district will have to absorb 5 percent of the previous year's total current expenditure.

Under the new formula payments would be as follows:

"A" children -- 100 percent of entitlement where the number of children is 25 percent or more of the average daily attendance; 90 percent, if less;

"B" children -- 68 percent of entitlement, less out-of-State B's for whom no entitlement is provided;

Special provisions -- 100 percent of entitlement:

From such amounts provided above:

5 percent of the previous year's total operating budget for each school district is subtracted; the balance equals the payment.

Although this new proposal will result in a substantial reduction in the overall funding level, it is estimated that of the districts that will lose impact aid funds, the majority (70 percent) will lose less than 2 percent of their total operating budget.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Maintenance and Operations:				
(a) Payments to "a" children..........	$223,900,000	$223,900,000	$ 1/	$-223,900,000 1/
(b) Payments to "b" children..........	354,616,000	354,616,000	1/	-354,616,000 1/
(c) Special provisions..	14,500,000	14,500,000	1/	-14,500,000 1/
(d) Payments to other Federal agencies..	43,000,000	43,000,000	46,000,000	+3,000,000
Total..........	636,016,000	636,016,000	46,000,000	-590,016,000 1/

1/ Funds for these activities will be proposed under later transmittal, pending the enactment of new legislation.

Narrative

Program Purpose

In order to compensate for the cost of education in areas where enrollment are affected by Federal activities, Title I of Public Law 81-874, as amended by Public Law 93-380, authorizes financial assistance for these purposes. In the past payments have been made to local school districts when revenues from local sources have been reduced as the result of the acquisition of real property (since 1938) by the United States (Section2); for children who reside on Federal property, with a parent employed on Federal property, or have a parent in a Uniformed Service (Section 3(a); for children who either who reside on Federal property, with a parent employed on Federal property or have a parent in the Uniformed Services (Section 3(b)); to increase rates of payment for certain 3(a) children (Section 3(c)(4); to provide for unexpected decreases in Federal activities (Section 3(e); and for substantial increases in attendance (Section 4). Under Section 6, the full cost of education is provided for children residing on Federal property when no State or local educational agency is able, because of State law or for other reasons, to provide suitable free public education. Assistance to schools in major disaster areas is provided under Section 7 and generally come from the regular appropriation.

Plans for fiscal year 1976

In order to provide the full cost of educating children who reside on Federal property in States where, due to State law or for other reasons, local school districts are unable to provide suitable free public education, the amount of $46,000,000 is requested. Schools operated under Section 6 cannot be terminated until the Commissioner of Education and the Secretary of the Federal department concerned jointly determine, after consulting with the appropriate State education agency, that a local agency is able to provide suitable free public education for the children attending such schools.

The funds requested will provide the full cost of educating approximately 42,000 on 27 military bases in thirteen States.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974 there were 4,368 eligible school district applicants who were funded under Section 2 (67 districts) and Section 3 (4,301 districts). These funds provided assistance for approximately 363,000 Section 3(a) children and over 1.7 million Section 3(b) children. Funds in the amount of $574,416,000 and special language authorized payments of entitlements in fiscal year 1974 as follows:

Section 3(a)	100	percent of entitlement (where the number of eligible children comprised 25 percent or more of the children in average daily attendance)
	90	percent of entitlement (Where the number of eligible children comprised less than 25 percent of the children in average daily attendance)
Section 3(b)	68	percent of entitlement
Sections 2, 3(c)(4), 3(e), and 4	100	percent of entitlement

The amount of $43,000,000 provided the full cost of educating approximately 42,000 children under Section 6.

An amount of $10 million was allocated for assistance to school districts in major disaster areas.

In fiscal year 1975, approximately 4,400 school districts will receive payments at 90 percent or 100 percent of entitlement, depending on the degree of impact for 360,000 Section 3(a) children, and not more than 70 percent of entitlement for approximately 1.7 million Section 3(b) children. Assistance under Section 2 will be provided to school districts where 10 percent or more of their taxable property has been required by the Federal Government since 1938. Section 3(c)(4) will permit an increased rate of payment for some 3(a) children to insure a level of education equivalent to that maintained in generally comparable school districts. Section 3(e) will assist school districts affected by certain decreases in Federal acrivities. Section 4 will assist school districts affected by substantive increases in attendance due to Federal activities. The full cost of educating nearly 42,000 children will be provided under Section 6.

SUPPLEMENTAL FACT SHEET

Maintenance and Operations

P.L. 81-874 Section	Basis of Eligibility	1974 Entitlement	1974 Appropriation	1975 Entitlement	1975 Appropriation	1976 Entitlement[1]	Budget Request
Section 2	School districts having partial loss of tax base removal of real property from tax rolls through Federal acquisition.	$ 9,000,000	$ 9,000,000	$ 10,000,000	$ 10,000,000	$ 11,000,000	---
Section 3(a)-ADA) -Rate) -Entitlement)	Children of parents who work on and reside on Federal property.	362,000 $581 $210,141,000	 $200,100,000	360,000 $635 $228,600,000	 $223,900,000	362,000[2] $690 $254,886,000[2]	--- ---
Section 3(b)-ADA) -Rate) -Entitlement)	Children of parents who either work on or reside on Federal property.	1,712,500 $275 $471,000,000	 $213,566,000	1,666,300 $300 $500,000,000	 $355,116,000	2,385,800[3] $320 $687,736,000[3]	--- ---
Section 3(e)	School districts eligible to receive amount to which they would have been entitled before reduction of Federally-connected children by cessation or decrease of Federal activity.	$ 3,200,000	$ 3,200,000	$ 4,000,000	$ 4,000,000	$ 8,600,000	---
Section 3(c)(4)	Provides special deficit rate of payment when 50% or more of children reside on Federal property.	$350,000	$350,000	400,000	$400,000	---[4]	---
Deductions 3(c)(2)(B)	Deduction when eligibility requirement not met in second fiscal year of two-year period.	$ -1,000,000	$-500,000	$-1,000,000	$-500,000	$-1,000,000	---
Net Section 3 Entitlement		$683,691,000	$515,716,000	$732,000,000	$582,916,000	$950,222,000	---

[1] Amended by P.L. 93-380.

[2] Does not include any low-rent housing pupils although there will be some in the "A" category. For payment computation purposes all low-rent housing pupils are included in the "B" category.

[3] Includes all low-rent housing pupils on a "B" category basis.

[4] Amount included in the "A" category.

P.L. 81-874 Section	Basis of Eligibility	1974 Entitlement	1974 Appropriation	1975 Entitlement	1975 Appropriation	1976 Entitlement 1/	Budget Request
Section 4 1st year	Sudden and substantial increase of children resulting from Federal activities carrried on directly or through a contractor	$150,000	$150,000	$100,000	$100,000	$100,000	---
Section 6	Arrangements with Federal agencies for educating certain children residing on Federal property.	$39,500,000	$39,500,000	$42,950,000	$42,950,000	$46,000,000	$46,000,000
Section 302	Transfer of funds to Federal agencies for service provided to local educational agencies	$50,000	$50,000	$50,000	$50,000	$50,000	---
Section 7	Natural disasters	$10,000,000	$10,000,000	2/	2/	2/	---
Low-Rent Housing	(Definition of Federal Property includes low-rent housing.)	$247,000,000	---	$268,000,000	---	3/	---
	TOTALS	$989,391,000	$574,416,000	$1,053,100,090	$636,016,000	$1,007,372,000	$46,000,000

1/ Amended by P.L. 93-380

2/ Requirements cannot be estimated at this time

3/ Amount is included in Section 3(b)

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Construction	$20,000,000	$20,000,000	$10,000,000	- $10,000,000

Narrative

Program Purpose

In order to provide urgently needed minimum school facilities, Public Law 81-815 authorizes Federal funding for school construction to school districts impacted by Federal activities. Under Section 5 eligibility is determined by the number of children residing with a parent who lives and works on Federal property (Section 5(a)(1)); and by the number of children who reside with a parent who either lives or works on Federal property (Section 5(a)(2)). Subsections 14(a) and 14(b) authorize grants to construct minimum school facilities in school districts which provide free public education for children who reside on Indian lands, or in districts where Indian lands comprise a substantial part of the school district. Section 9 provides funds to construct minimum facilities for local educational agencies affected by temporary Federal impact. Some State laws preclude the provision of free public education by State or local agencies for children living on some Federal properties or the expenditure of local and State funds for the construction of school facilities on Federal properties. In these instances the Commissioner is directed by Section 10 of the Act to make arrangements for constructing or otherwise providing school facilities for the children. Section 16 provides assistance to local educational agencies in areas suffering major disasters.

Funds are reserved for eligible applicants upon a determination of their eligibility and at such time as their respective project application has been reached on the priority index list. Federal regulations require that all eligible applicants be placed in rank order of relative priority by sections of the Act and funded in that order.

Plans for fiscal year 1976

In order to meet critical construction needs, the funds requested in fiscal year 1976, as in fiscal years 1974 and 1975, will be targeted toward relieving the impact caused by military installations (Section 5) in overcrowding the school facilities of local educational agencies, and toward providing needed school facilities of local educational agencies serving children residing on Indian lands (Section 14(a) and 14(b)). On the basis of present data, it is expected that about 14 projects will provide new school facilities for approximately 2,900 pupils in 110 classrooms and related school facilities (e.g., libraries, cafeterias, special education rooms for the handicapped, and the like). It is expected that the funds requested will provide one new school in New Mexico serving 600 Indian children in 20 classrooms and related school facilities. Further it is anticipated that $1 million will be used for emergency repairs to some of the 156 existing Federally-owned school facilities located on Federal property on approximately 68 government installations in order to protect the capital investment the Federal Government already has in these school facilities.

Accomplishments for fiscal years 1974 and 1975

Funds appropriated in fiscal year 1974 permitted the funding of 20 new projects in local educational agencies impacted by military activity or serving children residing on Indian lands. The dollar amount related to these projects was $17,296,200. Fiscal year 1974 funds also provided the initiation of 6 projects at an initial cost of $10,486,780 and the provision of additional funds ($3,329,344) to 5 projects which will serve children residing on Indian lands. In addition, funds were obligated for projects designed to replace or restore school facilities seriously damaged or destroyed by major disasters. These school facilities are expected to provide for approximately 1,450 pupils in 64 classrooms and related school facilities.

It is estimated that funds available in fiscal year 1975 will be used to assist in completing the construction of 4 projects initiated in prior years to serve children residing on Indian lands (at an estimated cost of $8,139,177), and 10 projects to relieve overcrowding in school districts impacted by increased military activities (at an estimated cost of $8,918,024). These projects are expected to provide facilities for approximately 4,360 children in 161 classrooms and related school facilities.

It is estimated that approximately $1,000,000 will be obligated for minor repairs to Federally-owned school facilities.

SUPPLEMENTAL FACT SHEET

Construction

P.L. 81-815 Section	Basis of Elibibility	1974 Appropriation	1975 Appropriation	Backlog Prior to 1976	1976 Entitlement	1976 Budget Request
5	Children of parents who work on and/or reside on Federal property or who represent an increase in Federal activity either directly or through a contractor.	$ 9,500,000	$ 9,000,000	$151,579,659	$37,000,000[1]	$ 4,275,000
8	Provision of non-Federal share or construction imposes a financial hardship.	---	---	---	$ 2,000,000	---
Total, Sections 5 and 8		$ 9,500,000	$ 9,000,000	$151,679,659	$39,000,000	$4,275,000
9	Temporary increases of Federally-connected children for whom temporary school facilities are provided	---	---	$ 1,000,000	$ 1,000,000	---
10	Federally constructed schools on Federal property	---	$ 1,000,000	$ 97,247,409	$15,000,000	$ 1,000,000
14	Substantial number of children residing on Federal property (mostly tax-exempt Indian land) and lack of financial resources	$ 9,500,000	$10,000,000	$ 50,098,335	$15,000,000	$ 4,725,000
16	Natural disasters[2]					
Grand Totals		$19,000,000	$20,000,000	$300,025,403	$70,000,000	$10,000,000

[1] Authorization for Sec. 5(a)(2) and 5(a)(3) expires June 30, 1978.

[2] Requirements are unpredictable. They are payable out of regular appropriation, subject to replacement by supplemental appropriations as needed.

Program Purpose and Accomplishments

Activity: Maintenance and operations (P.L. 81-874)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$636,016,000	$636,016,000	$1,057,372,000	$46,000,000

Purpose: In order to provide compensation for educational costs to areas affected by activities of the United States government, Title I of P.L. 81-874, as amended by P.L. 93-380, authorizes financial assistance for the maintenance and operation of local school districts where enrollments are affected by Federal activities.

Explanation: Applications and documentation are submitted by local educational agencies. This material is reviewed and verified by Office of Education personnel and awards are made directly to the local education agencies. The Office of Education provides for the full cost of educating children residing on Federal property where no education agency is able to provide suitable free education to such children. The fiscal year 1976 appropriation covers school year 1976-77.

Accomplishments in 1975: In fiscal year 1975, grants were made to provide support for some 2,100,000 pupils in 4,400 school districts with the greater proportionate support going to heavily impacted school districts.

Objectives for 1976: The estimate for fiscal year 1976 will provide full funding for Section 6. No funds are requested at this time for the other activities, pending the enactment of new legislation. The new legislation proposes entitlement and payment procedures which will more accurately reflect the Federal and local economic responsibility for education.

Activity: Construction (P.L. 81-815)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$20,000,000	$20,000,000	$70,000,000	$10,000,000

Purpose: In order to provide assistance for urgently needed construction facilities, Public Law 81-815 authorizes funds to local school districts where there are significant increases in pupil enrollment resulting from Federal activities.

Explanation: Applications and documentation are submitted by local educational agencies. This material is reviewed by Office of Education personnel and awards are made directly to the local educational agencies. The construction account is a no-year account. Funds awarded under this appropriation are available until expended, without regard to fiscal years. Applications submitted under Section 5 and 14(a) and 14(b) take priority over applications submitted under any other Section of the Act.

Accomplishments in 1975: Grants were made to meet the most pressing construction needs of local education agencies which applied under Sections 5 and 14(a) and 14(b) of the Act. It is estimated that approximately 161 classrooms benefitting nearly 4,400 children will be constructed.

Objectives for 1976: Grants in 1976 will again provide assistance for construction needs resulting from increased military activities with the greater proportionate share providing assistance for Indian school construction. It is estimated that 130 classroom benefitting nearly 3,500 pupils will be constructed.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Office of Education

School Assistance in Federally Affected Areas
Maintenance and Operations - P.L. 874

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$574,416,000	$636,016,000	$636,016,000	$46,000,000
Alabama	9,698,462	10,456,000	10,456,000	2,187,000
Alaska	30,729,581	34,152,000	34,152,000	---
Arizona	15,716,411	17,670,000	17,670,000	---
Arkansas	3,155,599	3,388,000	3,388,000	---
California	77,521,716	88,265,000	88,265,000	27,000
Colorado	12,682,248	14,133,000	14,133,000	---
Connecticut	3,509,047	3,916,000	3,916,000	---
Delaware	2,488,674	2,686,000	2,686,000	2,515,000
Florida	17,159,176	19,128,000	19,128,000	---
Georgia	14,832,424	16,342,000	16,342,000	5,677,000
Hawaii	11,511,612	12,873,000	12,873,000	---
Idaho	3,584,384	3,992,000	3,992,000	---
Illinois	10,355,722	11,218,000	11,218,000	---
Indiana	5,212,933	3.594,000	3,594,000	---
Iowa	1,834,928	1,951,000	1,951,000	---
Kansas	8,985,004	9,179,000	9,179,000	25,000
Kentucky	10,010,881	10,222,000	10,222,000	7,209,000
Louisiana	3,662,198	4,202,000	4,202,000	552,000
Maine	2,943,171	3,271,000	3,271,000	---
Maryland	30,100,588	33,264,000	33,264,000	---
Massachusetts	10,845,396	12,628,000	12,628,000	1,749,000
Michigan	5,839,792	6,489,000	6,489,000	---
Minnesota	2,985,713	3,758,000	3,758,000	---
Mississippi	4,165,200	3,790,000	3,790,000	---
Missouri	8,201,707	10,093,000	10,093,000	---
Montana	6,107,169	7,475,000	7,475,000	---
Nebraska	5,792,460	6,631,000	6,631,000	---
Nevada	3,729,482	4,165,000	4,165,000	---
New Hampshire	2,695,941	2,944,000	2,944,000	---
New Jersey	14,506,296	15,823,000	15,823,000	---
New Mexico	15,438,481	17,258,000	17,258,000	---
New York	18,272,507	20,482,000	20,482,000	1,736,000
North Carolina	16,984,575	18,730,000	18,730,000	10,877,000
North Dakota	5,074,090	6,537,000	6,537,000	---
Ohio	12,490,487	11,090,000	11,090,000	---
Oklahoma	12,051,363	12,775,000	12,775,000	---
Oregon	3,919,201	4,308,000	4,308,000	19,000
Pennsylvania	8,228,446	9,437,000	9,437,000	3,000
Rhode Island	3,394,982	3,887,000	3,887,000	---
South Carolina	10,058,072	11,201,000	11,201,000	3,316,000

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
South Dakota	5,650,777	7,583,000	7,583,000	---
Tennessee	7,066,468	7,679,000	7,679,000	---
Texas	31,689,801	36,918,000	36,918,000	---
Utah	8,327,915	9,295,000	9,295,000	---
Vermont	272,502	149,000	149,000	---
Virginia	41,160,036	45,831,000	45,831,000	3,422,000
Washington	16,756,206	16,391,000	16,391,000	---
West Virginia	936,428	750,000	750,000	---
Wisconsin	2,[illegible]61,915	2,301,000	2,301,[illegible]	---
Wyoming	[illegible],963,960	3,285,000	3,285,000	---
District of Columbia	3,801,418	4,246,000	4,246,000	---
American Samoa	---	---	---	---
Guam	2,854,605	3,192,000	3,192,000	---
Puerto Rico	6,3[illegible]9,852	6,995,000	6,995,000	6,[illegible]86,000
Trust Territory	---	---	---	---
Virgin Islands	---	---	---	---
Wake Island	---	---	---	---

1/ Estimated payments of entitlement under Section 3(a) at 90 percent or 100 percent, based on the degree of impact; special provisions and Section 6 at 100 percent. Section 3(b) children funded at a level not to exceed 76 percent of entitlement. Section 7 (disaster) cannot be estimated but will be funded at 100 percent.

2/ These amounts represent funding of Section 6 only at 100 percent of entitlement. No funds are being requested at this time for Sections 3(a), 3(b), or special provision, pending the enactment of new legislation.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

OFFICE OF EDUCATION

Obligations by Activity

School Assistance in Federally Affected Areas
(FY 1976 Estimate and July 1 - September 30 Period)

Activity	FY 1976 Estimate	FY 1976 Estimate July 1 - Sept. 30
1. Maintenance and Operations:		
(a) Payments for "a" children....	$ 1/	$ 1/
(b) Payments for "b" children....	1/	1/
(c) Special provisions..........	1/	1/
(d) Payments to other Federal agencies..................	46,000,000	5,000,000
Subtotal	46,000,000	5,000,000
2. Construction......................	10,000,000	---
Total........................	56,000,000	5,000,000

1/ Funds for these activities will be proposed for later transmittal, pending the enactment of new legislation.

Amounts Available for Obligation

	1976	1976 July 1 - Sept. 30
Appropriation...........................	$56,000,000	$5,000,000
Unobligated balance, start of year......	---	---
Unobligated balance, end of year........	---	---
Total, obligations......................	56,000,000	5,000,000

Obligations by Object

	FY 1976 Estimate	FY 1976 Estimate July 1 - Sept. 30
Lands and structures........................	$ 1,000,000	$ ---
Grants, subsidies, and contributions.......	55,000,000	5,000,000
Total obligations by object...........	56,000,000	5,000,000

	FY 1976 Estimate	FY 1976 Estimate July 1 - Sept. 30
1. Maintenance and operations:		
(a) Payments for "a" children...	$ 1/	$ 1/
(b) Payments for "b" children...	1/	1/
(c) Special provisions..........	1/	1/
(d) Payments to other Federal agencies..................	46,000,000	5,000,000
	46,000,000	5,000,000
2. Construction......................	10,000,000	---
Total.................	$56,000,000	$5,000,000

Narrative

An estimate of $5,000,000 is requested for Section 6 for the period July 1, 1976 - September 30, 1976. This amount was computed on the basis of estimated requirements for the July and August portion of summer school that is held following completion of the regular 1975-76 school year, and for September, the first month of the regular 1976-77 school year. The request is less than one-quarter of the 1976 estimate because it reflects the needs of only one regular school month, the opening month of September. In this month the needs are greater than a regular school month of the previous year due to anticipated teacher salary and other operating increases. In addition, funds are requested for two summer school months in which average daily attendance is considerably less than regular school months.

The funds requested will permit summer school and the opening of school for approximately 27 projects under which the Commissioner provides the full cost of education for children residing on Federal property where no State or local educational agency is able, because of State law or for other reasons, to provide suitable free education to such children.

No construction funds are requested for the interim period. Funds will be needed to complete the funding of a new school facility to house children residing on Indian land, a project which had been initially funded at an earlier date with funds made available from prior year appropriations. However, it is possible to postpone obligating these funds until October. Therefore these funds will be requested as part of the fiscal year 1977 budget.

1/ Funds for these activities will be proposed for later transmittal, pending the enactment of new legislation.

Appropriation Estimate

EMERGENCY SCHOOL AID

For carrying out title IV of the Civil Rights Act of 1964[1/] and sections 708(a), 708(b)(1), and 713 of the Emergency School Aid Act, $101,700,000, of which not more than $6,000,000 shall be for carrying out section 708(b)(1), and $750,000 for section 713.

For carrying out title IV of the Civil Rights Act of 1964 and sections 708(a), 708(b)(1), and 713 of the Emergency School Aid Act, for the period July 1, 1976 through September 30, 1976, $325,000.

Explanation of Language Changes

1. Language has been added to reflect the fiscal year 1976 transfer of title IV of the Civil Rights Act of 1964 (Civil Rights Training and Avisory Services) into this account from the Elementary and Secondary Education account.

Language provision	Explanation
For carrying out... sections 708(a), 708(b)(1), and 713 of the Emergency School Aid Act, $101,700,000, of which not more than $6,000,000 shall be for carrying out section 708(b)(1), and $750,000 for section 713.	Under the Emergency School Aid Act (P.L. 92-318), as amended by the Education Amendments of 1974, 87 percent of the funds appropriated for purposes of the Act would be distributed on a State formula basis for support of grant awards to local educational agencies and supporting nonprofit organizations. Remaining funds would support discretionary grant awards in educational television, bilingual education, special programs and projects and evaluation. A total of $688,507,000 remains of the $1 billion authorization for fiscal years 1974-1976. Of this amount, $34,425,000 is the remaining authorization for the discretionary special programs and projects activity. In fiscal year 1976, special appropriation language is requested, which would (1) modify the distribution of funds by funding only the discretionary special programs and projects activity (section 708(a) and 708(b)(1) only) and evaluation, and (2) fund the special programs and projects activity at a level which exceeds the current authorization for this activity. Of the $ 75,000,000 requested, $ 74,250,000 is requested for section 708(a) and 708(b)(1), of which not more than $ 6,000,000 is for section 708(b)(1). These language provisions are proposed in order to allow all Emergency School Aid Act funds to be targeted on a discretionary grant basis to those local educational agencies and supporting public and private nonprofit organizations in the greatest need of desegregation assistance. Activities authorized by sections of the Act not proposed for funding in 1976 may compete for discretionary grant awards under section 708(a) or 708(b)(1).

Amounts Available for Obligation

	1975 Revised	1976
Appropriation	---	$101,700,000
Proposed supplemental	$75,000,000	---
Comparative transfer from:		
"Elementary and Secondary Education" for transfer of Civil Rights Training and Advisory Services	26,700,000	---
Total, obligations	101,700,000	101,700,000

Summary of Changes

1975 Revised obligations	$ 101,700,000
1976 Estimated obligations	101,700,000
Net change	---

Obligations by Activity

	1975 Estimate A/	1975 Revised	1976 Estimate	Net Change
Special projects:				
(a) Bilingual education	$ 9,958,000	---	---	---
(b) Educational television	7,468,000	---	---	---
(c) Special programs and projects	12,447,000	$74,250,000	$74,250,000	---
State apportionment:				
(a) Pilot programs	37,341,000	---	---	---
(b) Special programs and projects	19,915,000	---	---	---
(c) General grants to local educational agencies	146,875,000	---	---	---
Evaluation	2,489,000	750,000	750,000	---
Training and Advisory Services	26,700,000	26,700,000	26,700,000	---
Total obligations	263,193,000	101,700,000	101,700,000	---

A/ Represents the Continuing Resolution funding level for 1975, as authorized by P.L. 93-448, section 101(d).

Obligations by Object

	1975 Estimate A/	1975 Revised	1976	Increase or Decrease
Other services:				
Project contracts................	$ 2,489,000	$ 750,000	$ 750,000	---
Grants, subsidies, and contributions	260,704,000	100,950,000	100,950,000	---
Total obligations by object...	263,193,000	10[illegible],700,000	101,700,000	---

A/ Represents the Continuing Resolution funding level for 1975, as authorized by P.L. 93-448, section 101(d).

Authorizing Legislation

Legislation	1976 Authorized B/	1976 Appropriation Requested
Emergency School Aid Act A/		
Bilingual education - Sec. 708(c)	$27,540,000	---
Educational television - Sec. 711	20,655,000	---
Special programs and projects - Sec. 708(a)	34,425,000	74,250,000
Evaluation - Sec. 713	6,885,000	750,000
Pilot programs - Sec. 706(b)	103,276,000	---
Special programs and projects - Sec. 708(b)	55,081,000	---
General grants to local educational agencies - Sec. 706(a)	440,645,000	---
Training and Advisory Services - Title IV of the Civil Rights Act of 1964	Indefinite	26,700,000

A/ P.L. 92-318, as amended by the Education Amendments of 1974.

B/ Represents the balance of a total $1 billion authorization for 1974-1976, after prior years' appropriations have been subtracted out.

Emergency School Aid

Year A/	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$ 9,300,000	$ 5,500,000	$ 6,275,000	$ 6,275,000
1967	9,650,000	6,535,000	6,535,000	6,535,000
1968	28,100,000	8,500,000	8,500,000	8,500,000
1969	13,100,000	8,500,000	10,000,000	9,250,000
1970	27,150,000	15,500,000	22,150,000	17,000,000
1971	166,200,000	16,000,000 B/	163,900,000	88,900,000
1972	86,602,000	86,602,000	86,602,000	86,602,000
1973	487,500,000	B/	270,640,000	270,640,000
1974	270,640,000	263,193,000	263,193,000	263,193,000
1975	26,700,000	26,700,000	26,700,000	26,700,000
Proposed Supplemental	75,000,000	---	---	---
1976	101,700,000	---	---	---

A/ Estimates, allowances, and appropriation figures include only those activities per year as indicated below:

1966-1970 - Training and Advisory Services (Title IV - Civil Rights Act)
1971-1972 - Training and Advisory Services and Temporary Emergency School Assistance Program (ESAP)
1973 - Training and Advisory Services, ESAP, and the Emergency School Aid Act (ESAA)
1974-1976 - Training and Advisory Services and ESAA

B/ In 1971, the House Allowance provided for only Training and Advisory Services. In 1973, this request was not considered by the House.

NOTE: Amounts for 1966-1976 reflect comparability with the 1976 estimate.

Justification

Emergency School Aid

	1975 Estimate	1975 Revised	1976	Increase or Decrease
1. Special projects:				
(a) Bilingual education..	$ 9,958,000	$ ---	$ ---	---
(b) Educational television	7,468,000	---	---	---
(c) Special programs and projects..........	12,447,000	74,250,000	74,250,000	---
2. State apportionment:				
(a) Pilot programs.......	37,341,000	---	---	---
(b) Special programs and projects..........	19,915,000	---	---	---
(c) General grants to local educational agencies...........	146,875,000	---	---	---
3. Evaluation...............	2,489,000	750,000	750,000	---
4. Civil Rights Training and Advisory Services...	26,700,000	26,700,000	26,700,000	---
Total................	$263,193,000	$101,700,000	$101,700,000	---

General Statement

Federal financial assistance specifically directed toward the problems of elementary and secondary school desegregation was first made available in fiscal year 1965, under the authority of Title IV of the Civil Rights Act of 1964. During 1971 and 1972, the Emergency School Assistance Program (ESAP) was developed as a complement to Title IV to assist school districts involved in a wave of major court decisions concerning desegregation. In June, 1972, the Emergency School Aid Act (ESAA) was enacted, replacing ESAP, authorizing assistance to school districts and supporting nonprofit organizations, and including set-asides in such areas as integrated children's educational television, bilingual/bicultural education and evaluation.

In fiscal year 1974, some 1,078 ESAA projects and 2 evaluation studies were funded, with an average ESAA project award of $219,000,000. These awards served nearly 1,000,000 desegregated minority group children in nearly 700 school districts, including 65 of the nation's largest districts (enrolling over 100,000 children). Technical assistance and training awards under Title IV of the Civil Rights Act, in 1974, totaled 164, with an average award of $132,000. These projects served approximately 4,095,000 students and trained 163,800 school personnel.

The dramatic increases in new school desegregation have lessened significantly since 1971-73, when desegregation needs were prevalent in a large number of States, especially in the South. The need for emergency assistance, during the transitional period of changing from a dual to a unitary school system, has been met in a number of states; consequently, the magnitude of need is not as great. Additionally, experience with ESAA has shown that a more concentrated approach to the problems is needed.

The Emergency School Aid Act (P.L. 92-380, as amended by the Education Amendments of 1974) provides for State apportionment of 87 percent of the funds appropriated for the Act. The remainder of the funds, under the Emergency School

Aid Act, are targeted to specified discretionary activity set-asides. In 1975 and 1976, in order to allow ESAA funds to be concentrated on those local educational agencies and private and public nonprofit organizations in the greatest need of desegregation assistance, the fiscal year 1975 and 1976 ESAA budgets request funding for only Sections 708(a) (the Assistant Secretary's discretionary funding authority), 708(b)(1) (the portion of the discretionary authority authorizing grants/contracts to private and public nonprofit organizations), and 713 (authority for program evaluation) of the Act. State apportionment and discretionary activities authorized under sections of the Act not proposed for funding in fiscal years 1975 and 1976, may compete on a national basis for discretionary grant awards under Sections 708(a) and (b)(1). The elimination of both a State apportionment and activity set-asides funding approach, in favor of a discretionary project grant approach only, should provide for a more flexible and responsive program of Federal desegregation assistance--one capable of targeting available resources to those areas requiring the greatest concentration of desegregation assistance.

Therefore, in both fiscal years 1975 and 1976, $75,000,000 is requested for funding 242 grant awards under Sections 708(a), 708(b)(1), and 713 of the Emergency School Aid Act.

Program objectives for Training and Advisory Services (Title IV-Civil Rights Act of 1964) in fiscal year 1976 will stress capacity building at the State and local levels to respond to education problems occasioned by (1) desegregation, (2) unequal access to education of those national origin minority children who are not fluent in the English language, and (3) sex discrimination. To meet these objectives in 1976, a total of $26,700,000 is requested. Of this amount, $5,000,000 will be used for the support of training and advisory services for bilingual education at approximately 9 bilingual general assistance centers and through about 14 State education agency grants. Ten training Institutes will be funded to provide training services for school personnel in dealing with problems of sex discrimination. A total of 221 grant and contract awards are expected to be made, of which about 88 are expected to be new awards.

The entire Emergency School Aid appropriation, therefore, is expected to support a total of 463 Emergency School Aid Act and Training and Advisory services grant and contract awards in 1976 for a total of $101,700,000. Together these programs will serve approximately 13,085,000 students and train about 427,400 school personnel.

SUPPLEMENTAL FACT SHEET
EMERGENCY SCHOOL AID

Emergency School Aid Act (P.L. 92-318) and
Training and Advisory Services (Title IV-Civil Rights Act of 1964)
Projections for Fiscal Years 1975-1976
(In thousands)

FISCAL YEAR 1975

Activity	1975 Estimate	Total Awards (No.)	Total Awards Amt.	New Awards (No.)	New Awards Amt.	Competing Continuing (No.)	Competing Continuing Amt.	Non-Competing Continuing (No.)	Non-Competing Continuing Amt.	Average Award
Special Projects: (c) Special Programs/Projects	$ 74,250	(240)	$ 74,250	(236)	$ 73,250	(4)	$ 1,000	--	--	$309
Evaluation (ESAA)	750	(2)	750	--	--	--	--	(2)	$750	375
Training and Advisory Services (Title IV-Civil Rights Act)	26,700	(201)	26,700	(80)	9,479	(121)	17,221	--	--	133
Total	101,700	(443)	101,700	(316)	82,729	(125)	18,221	(2)	750	

FISCAL YEAR 1976

Activity	1976 Estimate	Total Awards (No.)	Total Awards Amt.	New Awards (No.)	New Awards Amt.	Competing Continuing (No.)	Competing Continuing Amt.	Non-Competing Continuing (No.)	Non-Competing Continuing Amt.	Average Award
Special Projects: (c) SpecialProjects	$ 74,250	(240)	$ 74,250	(160)	$ 47,524	(80)	$ 26,726	--	--	$309
Evaluation (ESAA)	750	(2)	750	--	--	--	--	(2)	$750	375
Training and Advisory Services (Title IV-Civil Rights Act)	26,700	(221)	26,700	(88)	9,479	(133)	17,221	--	--	121
Total	101,700	(463)	101,700	(248)	57,003	(213)	43,947	(2)	750	

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Special projects:				
(a) Bilingual education				
(a) New awards.............	---	---	---	---
(b) Non-competing continuing awards.....	---	---	---	---
(c) Competing continuing awards................	---	---	---	---
Total............	---	---	---	---

Narrative

Program Purpose

In order to provide for the special educational needs of minority group children who, because they are from an environment in which the dominant language is other than English, do not have equal educational opportunity, section 708(c) of the Emergency School Aid Act authorizes grants to assist local educational agencies and supporting nonprofit organizations in the development and implemention of bilingual education programs.

Specifically, these private nonprofit agencies and eligible local educational agencies are to:

- develop and implement bilingual/bicultural curricula designed to meet the special educational needs of minority group children served by this activity;
- provide instruction in language/communication skills and history/culture of cultural groups represented; and
- train teachers or ancillary education personnel involved in bilingual/bicultural activities.

Funds made available for this activity are not to be apportioned among the States but are to be used to fund quality eligible projects, based on national competition, where a need for such projects exists. Four percent of funds avilable under ESAA are reserved for this activity. Emergency School Aid Act programs are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

No fiscal year 1976 funds are requested for this section of the Act. However, projects involving bilingual/bicultural education are eligible to compete for funding under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

Accomplishments for fiscal year 1974 and 1975

In fiscal year 1974, 47 bilingual projects in 15 States were funded at an average award of $230,000. All awards--19 new and 28 competing continuing--were grant awards to LEA's in support of bilingual/bicultural education instruction. These projects, designed to enhance mutual inter-cultural and inter-ethnic understanding, included 6 Native American projects, 4 French projects, and 37 Spanish projects. For example, the San Felipe-Del Rio Independent School District in Texas received a grant which enabled it to comply with the bilingual (English-Spanish) component in a court-ordered desegregation plan, and in Louisiana, English-French bilingual programs were introduced in four parishes: Evangeline, Iberia, Lafayette, and St. Landry.

In fiscal year 1975 no funds are requested under this section of the Act. However, projects involving bilingual/bicultural education are eligible to compete for assistance under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Special projects: (b) Educational television				
(a) New awards...............	---	---	---	---
(b) Non-competing continuing awards......	---	---	---	---
(c) Competing continuing awards.................	---	---	---	---
Total...............	---	---	---	---

Narrative

Program Purpose

In order to supplement and amplify the purposes of desegregated education on a national basis, section 711 of the Emergency School Aid Act authorizes grants or contracts with not more than 10 public or private nonprofit organizations to develop and produce children's television programs incorporating integrated children's activities of cognitive and affective educational value.

Specifically, these television programs are to:

- increase the understanding/cooperation between racial and ethnic groups;
- improve the written/oral expression of secondary students;
- foster understanding/appreciation of art, literature, music of various cultures; and
- meet the special or regional needs of specific racial/ethnic groups.

All programs must be made reasonably available for free transmission under noncommercial sponsorship on a national basis.

Funds made available for this activity are not to be apportioned among the States, but are to be used to fund quality eligible projects based on national competition. Three percent of funds available under ESAA are reserved for this activity. Emergency School Aid Act programs are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

No fiscal year 1976 funds are requested for this section of the Act. However, educational television projects are eligible to compete for funding in 1976 under the special projects: special programs and projects activity, authorized by Section 708(a) of the Act.

Accomplishments for fiscal years 1974 and 1975

Eight contract awards were made in fiscal year 1974. These were divided into two categories:

- programming to serve nationwide needs (3 awards, with an average award of $[illegible],883,000); and
- program series to meet needs unique to smaller minority groups or to special locales or regions, to be produced at a cost of no more than $250,000 (5 awards, with an average award of $248,000).

The eight contracts will result in the production of 145 programs of from 15 minutes to 1 hour in length, and will total 74 hours in all. The television programs were produced for elementary and secondary school pupils and focused on such areas as bilingual/bicultural education, mathematics, life-long skills, and the reduction of interracial tensions among students. An example of nationwide programming is the "Carrascolendas" Spanish-Anglo bilingual/bicultural series (funded in both fiscal year 1973 and 1974) which began broadcasting in the Fall of 1974. Two examples of minority groups, for which special regional programming series are being developed, are Puerto Rican children and their parents in the Northeast, and Native American children in the Pacific Northwest.

Estimated total student viewers of all programs is 4,800,000. This does not include any spillover effect for nontargeted viewers.

In fiscal year 1975 no funds are requested for this section of the Act. However, educational television projects are eligible to compete for funding under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Special projects:				
(c) Special programs and projects				
(a) New awards............	---	$73,250,000	$73,250,000	---
(b) Non-competing continuing awards....	---	---	---	---
(c) Competing continuing awards...............	---	1,000,000	1,000,000	---
Total............	---	$74,250,000	$74,250,000	---

Narrative

Program Purpose

In order to make provision in the Emergency School Aid Act for Special educational programs which promise to make substantial progress towards achieving the purposes of the Act, section 708(a) sets aside 5 percent of the total appropriation to be used by the Assistant Secretary for discretionary grants and/or contract awards. Specifically, this section provides for funding of activities which are otherwise authorized by the Act, but for which specific programs do not exist. These discretionary grant activities may include nearly all of the educational functions which assist in providing for desegregated education. The activity also provides for funding of local educational agencies in U.S. jurisdictions other than States or the District of Columbia.

Funds made available for this activity are not to be apportioned among the States but are to be utilized to fund quality eligible activities where a need for such projects exists. Emergency School Aid programs are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

To make it possible to target desegregation assistance on those school districts and supporting nonprofit organizations with the greatest desegregation needs, funds requested for the Emergency School Aid Act in fiscal year 1976 would limit Federal desegregation assistance to local educational agencies and public and private nonprofit organizations authorized under section 708(a) and 708(b)(1), the Assistant Secretary's discretionary special programs and projects activity. A total of $74,250,000 is requested for Section 708 of the Act, of which not more than $6,000,000 is to be used to fund nonprofit organizations (Section 708(b)(1)).

In previous years, the State apportionment activities (General grants to LEA's, Pilot projects, and Special programs and projects - nonprofit organizations) have provided the major basis for desegregation support under the Emergency School Aid Act. However, the Act was developed at a time when desegregation needs were prevalent in a large number of States, particularly in the South. The need for desegregation aid, during the transitional period of moving from a dual to a unitary school system, has now been met in a number of States. Therefore, the budget assumes that utilizing an approach of discretionary project grant funding rather than a combined approach of both activity setasides and state apportionment of funds to all States will better serve the objectives of providing assistance to those school districts with the greatest need of desegregation assistance.

Those discretionary activities (Bilingual education, Educational television) and State apportionment activities (Pilot projects, Special programs and projects - nonprofit organizations, and General grants to LEA's), authorized under sections of the Act not proposed for funding in fiscal year 1976, may compete on a national basis for a discretionary grant award in fiscal year 1976 under Section 708(a) or 708(b)(1) of the Act. It is estimated that approximately 155 discretionary local educational agency project grants (125 basic grants to LEA's; 30 pilot project grants) will be awarded. (In fiscal year 1974, basic grants to LEA's were awarded under the State approtionment activity, Section 706(a), and pilot projects were awarded under the State apportionment activity, Section 706(b).) The average basic grant to LEA's, in fiscal year 1976, is expected to be $490,000, and the average pilot project award is expected to be $167,000. Both average award levels will parallel the funding level for similar projects in fiscal year 1975.

It is also estimated that 75 private and public nonprofit organization grants (awarded under the State apportionment, Section 708(b)(1) and (b)(2) in 1974) will be awarded on a discretionary basis in fiscal year 1976, under Section 708(b)(1) only. The average grant award to nonprofit organizations is expected to be $67,000, the same funding level for nonprofit organizations in fiscal year 1975. Finally, approximately 10 additional grant awards will be made for emergency special projects, such as Boston, and other quality desegregation projects, such as educational television awards, bilingual education awards, or awards to U.S. jurisdictions other than States or the District of Columbia. These 10 awards will average $300,000 each, the same average level as in FY 1975. Of the total 240 discretionary special programs and projects awards, approximately 80 competing continuing projects and 160 new awards will be funded.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, 74 awards were made for promising special programs and projects which would not otherwise qualify for assistance under the Emergency School Aid Act. Of the awards, 47 were for school-based special reading projects, 11 were special arts project grants made to 10 State Arts Commissions and 1 SEA, and 4 other special projects were designated for the Trust Territory of the Pacific Islands, Guam, Puerto Rico, and the Virgin Islands. In addition, 12 emergency special project awards (5 for short term projects; 7 full year awards) were made to school districts which adopted eligible desegregation plans too late to meet the application deadline for fiscal year 1974 ESAA assistance under Basic Grants. Over $2,000,000 was also awarded for supplementary funding of projects authorized under other sections of the Act.

The Trust Territory of the Pacific Islands award has made it possible to develop educational materials in five distinct vernacular languages. The Puerto Rico project is transposing pertinent English language curricular materials to the Spanish language and, in addition, for those students moving from the continental United States to Puerto Rico, provides educational support staff to aid these students in assimilating or re-assimilating the Spanish language and culture. The Guam project is twofold: developing a curricular program in the Chamono language; improving English reading skills of Guamanian children. The Virgin Islands project addresses the Virgin Islands' Department of Education's court order of December 3, 1969, requiring enrollment of all alien children in public schools.

In fiscal year 1975, 240 discretionary special projects: special programs and projects grants are to be funded for a total of $74,250,000. These awards are to include 125 basic grants to LEA's (awarded under Section 706(a) in 1974), 75 private and public nonprofit organization awards (awarded under Section 708(b)(1) and 708(b)(2) in 1974), 30 pilot project grants to LEA's (awarded under Section 706(b) in 1974), and 10 emergency special projects grants, such as Boston, and other desegregation assistance projects (funded under Section 708(b) in 1974).

The number and average size of these fiscal year 1975 awards as compared to the number and average size of the same awards in fiscal year 1974, are:

	1975	1974	1975	1974
Basic grants to LEA's	125	570	$490,000	$276,000
Nonprofit organization awards	75	238	57,000	84,000
Pilot project grants	30	141	167,000	192,000
Special projects: special programs and projects	10	74	300,000	292,000

Of these 240 awards, about 236 awards are expected to support new projects.

	1975 Estimate	1975 Revised	1976	Increase or Decrease
State apportionment:				
(a) Pilot programs				
(a) New awards........	---	---	---	---
(b) Non-competing continuing awards....	---	---	---	---
(c) Competing continuing awards........	---	---	---	---
Total	---	---	---	---

Narrative

Program Purpose

In order to overcome the adverse effects of minority group isolation through improvement of the academic achievement of minority group children, section 706(b) of the Emergency School Aid Act authorizes grants to local educational agencies to support unusually promising and innovative programs in basic areas of reading and math. The target population of these programs are to be those children in one or more minority group isolated schools in districts which (1) enroll at least 15,000 minority group children or (2) have a minority group enrollment which is more than 50 percent of the total enrollment.

These programs should be typified by creativity, originality and replicability. Activities should address:

- classroom performance through remedial services;
- provision of additional professional staff or teacher aides; and
- development/use of new curricula/instructional methods, practices, and techniques.

This section also provides for the establishment and maintenance of one or more integrated schools, for certain pilot project grantees only.

Funds appropriated for this activity are apportioned among the States in accordance with the distribution among those States of minority group children aged 5-17. Depending upon the number of worthy applications, a State may get more or less funds than was orignially apportioned to it. Up to 15% of funds available for ESAA activities is reserved for this activity. Emergency School Aid Act projects are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

No fiscal year 1976 funds are requested for this State apportionment section of the Act. However, pilot project activities will be eligible to apply for funding in 1976 on a discretionary grant basis under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, 141 awards were made for Pilot projects in 28 States, with an average award of $192,000. The total number of students enrolled in the grantee districts is 3,500,000; the number of minorities is 2,200,000. Of these awards, 84 were for competing continuing awards and 57 for new awards. Activities authorized under these pilot programs were directed toward innovative methods in basic areas of reading and math, with 84% of the funds obligated supporting special remedial services (60%) curriculum development (15%) and guidance and counseling services (9%).

In fiscal year 1975, no funds are requested for this state apportionment section of the Act. However, pilot project activities are eligible to compete for discretionary grant funding under the Special projects; Special programs and projects activity, authorized by section 708(a) of the Act. In fiscal year 1975, it is expected that 30 pilot projects will be funded under the discretionary Special projects: Special programs and projects activity (section 708(a)), and that the average award will be $167,000. These projects will provide for both professional and non-professional teaching staff, curriculum development, and remedial services in the areas of math and reading.

	1975 Estimate	1975 Revised	1976	Increase or Decrease
State apportionment:				
(a) Special programs and projects				
(a) New Awards.........	---	---	---	---
(b) Non-competing continuing awards....	---	---	---	---
(c) Competing continuing awards........	---	---	---	---
Total..........	---	---	---	---

Narrative

Program Purpose

In order to encourage community initiatives in providing assistance to desegregating school systems, section 708(b) of the Emergency School Aid Act authorizes grants to or contracts with nonprofit organizations to conduct special programs supportive of local educational agency efforts in developing/implementing desegregation plans, encouraging voluntary desegregation, and aiding school children in overcoming educational disadvantages of minority group isolation.

Such community group activities have served as a coordinating link between individual parents and school authorities and often led to the genuine involvement (and consequently, cooperaton and support) of the public. Authorized activities for these nonprofit organizations include (a) community information programs, (b) home-focused programs, (c) cultural enrichment activities, (d) interracial social and recreational programs, (e) career orientation activities, (f) dropout prevention programs, (g) supplemental remedial services, and (h) at the request of the local education agency, assistance in developing specific plans for reducing, eliminating or preventing minority group isolation.

Funds appropriated for this activity are apportioned among the States in accordance with the distribution among those States of minority group children aged 5-17. Depending upon the number of quality applications, a State may get more or less funds than was originally apportioned to it. Eight percent of funds available under ESAA are reserved for this activity. Emergency School Aid Act programs are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

No fiscal year 1976 funds are requested for this state apportionment section of the Act. However, private and public nonprofit organizations, authorized by Section 708(b) (1) of the Act will be eligible to apply for funding in 1976 on a discretionary project grant basis, under the Special projects: Special programs and projects activity, authorized by section 708(b)(1) of the Act.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, 238 nonprofit community groups in 43 States were funded with an average award of $84,000. These projects included 92 new grant awards and 146 competing continuing awards. Of the funds obligated, 67% supported supplemental remedial services (34%) dropout prevention programs (18%), and community information services (15%).

In fiscal year 1975, no funds are requested for this state apportionment section of the Act. However, both public and private nonprofit organations, authorized by section 708(b)(1), are eligible to compete for discretionary grant funding under section 708(b)(1) of the discretionary Special projects: Special programs and projects activity. It is estimated that, in fiscal year 1975, about 75 nonprofit organizations will be funded under the discretionary Special projects: Special programs and projects activity (section 708(b)(1)), and that the average award level will be $67,000. This average award will be about $17,000 lower than the average fiscal year 1974 award.

	1975 Estimate	1975 Revised	1976	Increase or Decrease
State apportionment: (c) General grants to local educational agencies				
(a) New Awards........	---	---	---	---
(b) Non-competing continutin awards....	---	---	---	---
(c) Competing continuing awards........	---	---	---	---
Total	---	---	---	---

Narrative

Program Purpose

In order to (1) meet educational needs incident to elementary and/or secondary school desegregation; (2) encourage voluntary elimination of minority group isolation in elementary and secondary schools; and (3) overcome educational disadvantages of minority group isolation, section 706(a) of the Emergency School Aid Act authorizes grants to provide financial assistance to eligible local educational agencies. Eligible local educational agencies are those which have implemented or will, if assistance is made available, adopt and implement a plan to eliminate, reduce, or prevent the isolation of minority group students in their schools.

Activities supported by basic grants include nearly all the educational functions which might be called upon to assist in the transition from schooling in minority group isolation to desegregated education, and must directly address needs related to the implementation of a plan.

Funds appropriated for this activity are apportioned among the States in accordance with the distribution among those States of minority group children aged 5-17. Depending upon the number of quality applications, a state may get more or less funds than are originally apportioned to it. Up to 64% of funds available for ESAA activities is reserved for this activity. Emergency School Aid Act programs are forward funded. For example, fiscal year 1974 funds were obligated for expenditure in school year 1974-75.

Plans for fiscal year 1976

No fiscal year 1976 funds are requested for this state apportionment section of the Act. However, projects involving activities which are authorized by this section will be eligible to apply for funding in 1976 on a discretionary grant basis, under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

Accomplishments for fiscal year 1974 and 1975

The act stipulates that the following activities are eligible for support: (1) remedial services; (2) supplemental staff; (3) teacher aides; (4) teacher training; (5) guidance and counseling; (6) curriculum development; (7) career education; (8) interracial activities; (9) community activities; (10) support services; (11) planning; and (12) minor remodeling.

Consistent with the range of eligible activities outlined above, local educational agencies have been encouraged to focus their grant resources on basic instruction and support services. In 1974, the program's emphasis was shifted away from remedial instruction and toward improving relations among the school administrators, faculty, and students. A total of 570 school districts in 49 States received fiscal year 1974 funds for basic projects, with an average award of $276,000. These 570 awards included 166 new project awards and 404 awards for continuing projects. Over $155,000,000 were obligated for these projects, of which 85% of the funds supported special remedial services (62%), administrative and auxiliary services (9%), and staff training and curriculum development (7% each).

In fiscal year 1975, no funds are requested for this state apportionment section of the Act. However, activities authorized under General grants to LEA's (section 706 (a)) are eligible to compete for discretionary grant funding under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act. In fiscal year 1975, it is expected that 125 basic grants to LEA's will be funded under the discretionary Special projects: Special programs and projects activity (Section 708(a)), and that the average award will be $490,000. This funding level is $214,000 higher than the average 1974 award.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Evaluation (ESAA)				
(a) New awards.............	---	---	---	---
(b) Non-competing continuing awards.....	---	$750,000	$750,000	---
(c) Competing continuing awards................	---	---	---	---
Total.............	---	750,000	750,000	---

Narrative

Program Purpose

In order to evaluate specific programs and projects assisted with funds appropriated under the Emergency School Aid Act, section 713 authorizes the Assistant Secretary to make grants to, and contracts with State education

The Assistant Secretary is authorized to reserve not in excess of 1 percent of the funds appropriated for the Act for this purpose. The scope of work for evaluation awards normally exceeds a twelve month period.

Plans for fiscal year 1976

In order to determine the national impact of the Emergency School Aid Act programs in terms of the Act's objectives, a total of $750,000 is requested in fiscal year 1976 to support the final analysis of two evaluations of Basic and Pilot programs. These funds will also provide for any small scale additional data gathering, which may become necessary during fiscal year 1976, in order to further document the findings of the evaluations.

The studies cover the three school years of 1973-74, 1974-75, and 1975-76, and seek to identify/describe the needs of students in or from minority isolated schools; to document/disseminate information on successful programs; to determine the effectiveness of three forms of educational intervention--desegregation, compensatory education and their combination--as compared to no special educational intervention in minority isolated schools; and to determine the cost/effectiveness of programs and the minimum supplemental ESAA expenditures necessary to ensure some measure of program success.

Accomplishments for fiscal years 1974 and 1975

Two contract awards were continued for the second year, in fiscal year 1974, for the evaluation of Emergency School Aid Act Basic and Pilot projects. These evaluations include both annual and cumulative (3 year) analyses. In fiscal year 1974, achievement, school climate and discrimination, and reduction in minority group isolation data were collected on a nationally representative sample of approximately 85 ESAA funded school districts. These districts include 75 Basic and 42 Pilot elementary schools and 54 Basic secondary schools. In 1974, as in the previous and each successive year of the studies, the evaluation sample included approximately 27,000 students, 4,000 teachers, 172 principals and 85 local ESAA coordinators, district business managers and superintendents.

In fiscal year 19[illegible], a total of $750,000 is requested to continue the two Emergency School Aid Act evaluations of Basic and Pilot projects, begun in fiscal year 1973 (school year 1973-74). These funds with cover data collection through school year 1974-1975, and analysis of those data.

SUPPLEMENTAL FACT SHEET
Emergency School Aid

Grant Award and Beneficiary Summary
Fiscal Year 1974 and Estimated Fiscal Years 1975-1976

Activity: Emergency School Aid Act programs and evaluation - P.L. 92-318

Estimated Number of Awards:	1974	1975 Estimate	1976 Estimate
1. Special projects:			
(a) Bilingual education	47	---	---
(b) Educational television	8	---	---
(c) Special programs and projects	74	240[A]	240[A]
2. State apportionment:			
(a) Pilot programs	141	---	---
(b) Special programs and projects (Nonprofit organizations)	238	---	---
(c) General grants to local educational agencies	570	---	---
3. Evaluation	2	2	2
Total, Emergency School Aid Act awards	1080	242	242

A/ It is expected that the 240 Special programs and projects awards, in both fiscal years 1975 and 1976, will be composed of the following types of awards:

- 125 basic desegregation LEA grants;
- 30 pilot project LEA grants;
- 75 supporting nonprofit organization grants; and
- 10 emergency special projects, such as Boston, and other quality desegregation grants.

Beneficiaries:	1974	1975 Estimate	1976 Estimate
Number of Children Benefitted[A]	8,330,237	2,400,000	2,400,000
Number of Desegregating Local Educational Agencies Assisted	643	165	165
Number of Nonprofit Organizations Assisted	232	75	75

A/ Three educational television grant awards are for national television programming - benefitting children nationwide.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Training and advisory services (Civil Rights Act-Title IV)				
(a) New awards..........	$ 9,479,000	$ 9,479,000	$ 9,479,000	---
(b) Competing continuing awards..	17,221,000	17,221,000	17,221,000	---
Total..........	$26,700,000	$26,700,000	$26,700,000	---

Narrative

Program Purpose

In order to provide technical assistance in the preparation, adoption, and implementation of plans for the desegregation of public schools, and services and training for people to deal effectively with special educational problems occasioned by desegregation, this program, authorized by title IV of the Civil Rights Act of 1964 makes grant and/or contract awards to general (desegregation) assistance centers, to State educational agencies, to universities for training institutes, and to local educational agencies.

This program does not fund direct educational services for children, but provides four types of financial support, rendered only upon specific request by LEA's:

- contracts with public/private organizations - General Assistance Centers(GAC's) - to provide technical assistance and training services to LEA's in the preparation, adoption, and implementation of desegregation plans;
- contracts with State Education Agencies (SEA's) for provision of technical assistance to desegregating LEA's within their State;
- grants to institutions of higher education - Training Institutes - to provide desegregation training services for school personnel; and
- direct grants to Local Educational Agencies (LEA's) demonstrating exceptional need for desegregation assistance, for one year, full time advisory specialist service.

Grant and/or contract awards are made at the discretion of the Commissioner, based on applicants' ranking as determined by criteria specified in program regulations. Regulations specify the following division by individual activity of the total appropriation made available for funding Civil Rights advisory services:

GAC contracts	50%
SEA contracts	25%
Training Institute grants	15%
LEA grants	10%

Civil Rights training and advisory grants are forward funded. For example, fiscal year 1975 funds are obligated for expenditure in school year 1975-76.

Plans for fiscal year 1976

In order to increase the capacity of State and local educational agencies to respond to education problems occasioned by: (1) desegregation; (2) unequal access to educational opportunities of national origin minority children who are not fluent in the English language; and (3) sex discrimination, a total of $26,700,000 is requested.

In response to the need for training and advisory services related to these areas, the following grant awards are expected to be made:

- 36 General Assistance Center awards (27 desegregation GAC's; 9 bilingual education GAC's);
- 54 State education agency awards (40 desegregation, 14 bilingual education);
- 58 Institute grants (48 desegregation, 10 sex discrimination); and
- 73 direct Local educational agency grants (this represents an increase of 20 LEA grants over 1975).

These Title IV awards will total 221, with the average award expected to be $121,000. This is 20 more awards than are to be funded in fiscal year 1975, but the 1976 average award will be about $12,000 less than the average award in 1975. In 1976, approximately 427,400 school personnel will be trained, and 10,685,000 children will benefit from these activities. This is the same number of beneficiaries as in 1975.

Accomplishments for fiscal years 1974 and 1975

Title IV training and advisory services total obligations of $21,700,000 in 1974 provided support for 164 awards, distributed by activity as follows:

	Total Obligation	No. of Awards	Average Award
GAC's	$9,987,281	26	$384,000
SEA's	5,029,628	40	126,000
Institutes	4,518,928	46	98,000
LEA's	2,164,163	52	42,000

The awards were intended, primarily, to address the problems of desegregation, and, secondarily, to address needs of bilingual education technical assistance. Approximately 163,000 school personnel were trained under the GAC and Institute awards, and over 4,000,000 students will directly benefit from this training.

In fiscal year 1975, the educational problems experienced by national origin minority children who are not fluent in English were made widely known through the Lau v. Nichols Supreme Court decision. In order to help LEA's address the needs of these children, the degree to which Title IV supports bilingual education training and technical assistance services was greatly intensified. Specifically, a supplemental bilingual education appropriation of $5,000,000 was used to support 9 bilingual GAC's and 14 bilingual technical assistance SEA grants.

Secondly, for the first time, Title IV funds were used to support 10 Institutes to train school personnel on how to deal with problems of sex discrimination. This type of activity is specifically authorized by Title IX of the Education Amendments of 1972.

Therefore, in 1975, a total of 201 Title IV awards were made (36 GAC awards, 54 SEA awards, 58 Institute awards, 53 LEA awards), directed to the problems of desegregation, bilingual education needs, and sex discrimination. This is 37 more awards than were made in fiscal year 1974. The average award in fiscal year 1975 is expected to be $133,000, the same as the overall average Title IV award in 1974. Approximately 427,400 school personnel will be trained, and 10,685,000 children will benefit from these activities in fiscal year 1975.

SUPPLEMENTAL FACT SHEET
Emergency School Aid

Grant Award and Beneficiary Summary
Fiscal Year 1974 and Estimated Fiscal Years 1975-1976

Activity: Training and Advisory Services - (Title IV - Civil Rights Act)

Estimated Number of Awards:	1974	1975 Estimate	1976 Estimate
(a) General Assistance Centers -			
Desegregation GAC's	26	27	27
Bilingual GAC's	---	9	9
(b) State Education Agencies -			
Desegregation Assistance	40	40	40
Bilingual Assistance	---	14	14
(c) Training Institutions -			
Desegregation Institutes	46	48	48
Sex Discrimination Institutes	---	10	10
(d) Local Education Agencies	52	53	73
Total, Training and Advisory Awards	164	201	221

Beneficiaries:	1974	1975 Estimate	1976 Estimate
LEA's Served A/			
(a) Desegregation GAC's	1,500	1,600	1,600
Bilingual GAC's	---	2,500	2,500
(b) SEA's - Desegregation Assistance	1,460	2,000	2,000
SEA's - Bilingual Assistance	---	700	700
(c) Desegregation Institutes	460	480	480
Sex Discrimination Institutes	---	100	100
(d) Local Education Agencies	52	53	73
School Personnel Trained B/	163,800	427,400	427,400
Students Served C/	4,095,000	10,685,000	10,685,000

A/ Estimates for LEA's served can be determined accurately by individual Title IV activities only--i.e., LEA's served by GAC's, by Institutes, by SEA's, by direct LEA grant. Many LEA's receive services from more than one activity; therefore, any total estimate would be inflated.

B/ An estimated 100 school personnel are trained at each LEA receiving GAC training services; an estimated 30 personnel are trained at each LEA participating in an Institute training program.

C/ Student beneficiaries are calculated only for those students expected to receive instruction from school personnel trained in CRA--Title IV activities. Assumption: 25 student beneficiaries per trainee.

Program Purpose and Accomplishments

Activity: Special projects: (a) Bilingual education (Sec. 708(c), ESAA)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	$27,540,000 1/	---

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been substracted out.

Purpose: To assist local educational agencies and supporting organizations in meeting the needs of minority group children who, because they are from an environment in which the dominant language is other than English, do not have equality of educational opportunity.

Explanation: The amounts appropriated for this activity are to be used to make grants to private nonprofit agencies and eligible local educational agencies to develop and implement curricula designed to meet the special educational needs of minority group children served by this activity. Up to 4% of the funds appropriated for ESAA may be used to fund activities under this section of the Act. This amount is not to be apportioned among the States, but is to be utilized to fund quality eligible activities where they occur.

Objectives for fiscal years 1975 and 1976: No fiscal year 1975 or 1976 funds are requested under this section of the Act. However, projects involving bilingual education may compete for assistance under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

Activity: Special Projects: (b) Educational television (Sec. 711, ESAA)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	$20,655,000 1/	---

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been substracted out.

Purpose: To fund not more than 10 public or nonprofit private organizations to develop and produce children's television programs incorporating integrated children's activities of cognitive and affective educational value.

Explanation: The amounts appropriated for this activity are to be used to make grants to or contracts with not more than 10 public or private nonprofit agencies with expertise in the development of television programming to carry out the purpose of this activity. Programs developed shall be made reasonably available for free transmission under noncommercial sponsorship on a national basis. Educational television funds are not to be apportioned to the States, but are to be used to fund quality eligible projects based on national competition. Three percent of the funds available under the Act are reserved for this activity.

Objectives for 1975 and 1976: No fiscal year 1975 and 1976 funds are requested under this section of the Act. However, projects involving education television may compete for assistance under the Special projects: Special programs and projects activity, authorized by section 708(a) of the Act.

Activity: Special projects: (a) Special programs and projects
(Sec. 708(a), ESAA)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
—	$74,250,000	$34,425,000 1/	$74,250,000 2/

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been substracted out.

2/ 1976 Budget estimate is larger than the 1976 activity authorization, since the authorization represents the funds authorized for this activity only, based on a 5% limitation, while the budget estimate proposes that all 1976 ESAA funds be appropriated to this activity and evaluation only.

Purpose: To assist loacl educational agencies and supporting public organizations in conducting activities which (1) are otherwise authorized by the Emergency School Aid Act, but for which specific programs do not exist, and (2) promise to make substantial progress towards achieving the purposes of the Act.

Explanation: The Assistant Secretary is authorized to make grants to any public agency for a program which he determines will make substantial progress toward achieving the purposes of the Act. These amounts are not to be apportioned among the States but are to be utilized to fund quality eligible activities wherever they may occur. Up to 5% of the funds appropriated for ESAA may be used to fund activities under this section of the Act.

Objectives for 1975 and 1976: In order to make it possible to target desegregation assistance on those school districts and supporting nonprofit organizations with the greatest desegregation needs, funds requested for the Emergency School Aid Act in fiscal years 1975 and 1976 would limit Federal desegregation assistance to local educational agencies and public and private nonprofit organizations, authorized under section 708(a) and 708(b)(1), the Assistant Secretary's discretionary special programs and projects activity. A total of $74,250,000 is requested for section 708 of the Act, of which not more than $6,000,000 is to be used to fund nonprofit organizations (section 708(b)(1)).

Activities authorized by sections of the Act for which no funds are requested in 1975 or 1976, may compete on a national basis for a discretionary grant award in each fiscal year under the Special projects: Special programs and projects activity, section 708(a) or 708(b)(1) of the Act.

It is estimated that approximately 155 discretionary basic and pilot grants to local educational agencies (awarded under the state apportionment sections 706(a) and 706(b) in fiscal year 1974) will be awarded in fiscal year 1975 and 1976. It is also estimated that approximately 75 private and public nonprofit organization grants (awarded under the state apportionment section 708(b)(1) and (b)(2) in 1974) will be awarded on a discretionary basis in fiscal year 1975 and 1976, under section 708(b)(1) only. Ten additional grant awards will be made for emergency special projects, such as Boston, and other quality desegregation projects in each fiscal year.

Activity: State apportionment: (a) Pilot Programs
(Sec. 706(b), ESAA)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	$103,276,000 1/	---

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been subtracted out.

Purpose: To support promising programs to overcome the adverse effects of minority group isolation by improving the academic achievement of children in one or more minority group isolated schools in districts which (1) enroll at least 15,000 minority group children or (2) have a minority group enrollment which is more than 50 percent of the total enrollment.

Explanation: Grants are awarded to local educational agencies for the above purposes. The amounts appropriated are apportioned among the States in accordance with the distribution among those States of minority group children aged 5-17. Depending upon the number of quality applications, a State may get more or less funds than are originally apportioned to it. Up to 15 percent of the funds appropriated for ESAA may be used for funding activities under this section of the Act.

Objectives for fiscal years 1975 and 1976: No fiscal year 1975 or 1976 funds are requested under this section of the Act. However, pilot project activities may compete for assistance under the Special Programs and Projects activity, authorized by Section 708(a) of the Act. It is expected that 30 pilot projects will be funded in each fiscal year, 1975 and 1976, under the Special projects: Special programs and projects activity, Section 708(a) of the Act.

Activity: State apportionment: (b) Special programs and projects
(Sec. 708(b), ESAA)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	$55,081,000 1/	---

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been subtracted out.

Purpose: To assist nonprofit organizations in conducting special programs which support local educational agency efforts to develop or implement a plan to meet special problems incident to desegregation, to encourage voluntary integration, or to aid school children in overcoming the educational disadvantages of minority group isolation.

Explanation: To carry out the purposes of this section, assistance is made by grant to public or private nonprofit agencies other than local education agencies. The amounts appropriated for carrying out this activity are to be apportioned among States based on the number of minority group children aged 5-17 in the State. Depending upon the number of quality applicatons, a State may get more or less funds than are originally apportioned to it. Up to 8 percent of the funds appropriated to ESAA may be used for funding activities under this section of the Act.

Objectives for fiscal years 1975 and 1976: No fiscal year 1975 or 1976 funds are requested for this State apportionment activity. However, private and public nonprofit organizations authorized by Section 708(b)(1) of the Act will be eligible to apply for funding on a discretionary project grant basis, under Section 708(b)(1) of the Act. It is expected that 75 nonprofit organizations will be funded in each fiscal year, 1975 and 1976, under the Special projects: Special programs and projects activity, Section 708(b)(1) of the Act.

Activity: State apportionment: (c) General Grants to local educational agencies (Sec. 706(a), ESAA)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
---	---	$440,645,000 1/	---

1/ Represents balance of total $1 billion authorized for 1974-1976, after prior years' appropriations have been subtracted out.

Purpose: To provide financial assistance to eligible local educational agencies to: (1) meet educational needs incident to elementary and/or secondary school desegregation, (2) encourage voluntary elimination of minority group isolation in elementary and secondary schools, and (3) overcome educational disadvantages of minority group isolation.

Eligible local educational agencies are those which have implemented or will, if assistance is made available, adopt and implement a plan to eliminate, reduce, or prevent the isolation of minority group students in their schools.

Explanation: Grants may be awarded to local educational agencies for the above purposes. Funds appropriated for this activity are to be apportioned among the States in accordance with the distribution among those States of minority group children aged 5-17. Depending upon the number of quality applications, a State may get more or less funds than are originally apportioned to it. Up to 64 percent of the funds appropriated for ESAA may be used for funding activities under this section of the Act.

Objectives for fiscal years 1975 and 1976: No fiscal year 1975 or 1976 funds are requested under this section of the Act. However, projects involving activities which are authorized by this section may compete for assistance under the Special programs and project activity, authorized by Section 708(a) of the Act. It is expected that 125 basic grants to LEA's will be funded in each fiscal year, 1975 and 1976, under the Special projects: Special programs and projects activity, Section 708(a) of the Act.

Activity: Evaluation (ESAA)
(Sec. 713, ESAA)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
---	$750,000	$6,885,000 1/	$750,000

1/ Represents balance of total $1 billion authorization for 1974-1976, after prior years' appropriations have been substracted out.

Purpose: To make grants to, and contracts with, State education agencies, institutions of higher education, and private organizations to evaluate specific programs and projects assisted with funds appropriated under the Emergency School Aid Act.

Explanation: The Assistant Secretary is authorized to reserve not in excess of 1 percent of the funds appropriated for the Act for this purpose. The scope of work for evaluation awards normally exceeds a twelve month period.

Accomplishments in 1975: In 1975, two Emergency School Aid Act evaluations of Basic and Pilot projects, begun in fiscal year 1973 (school year 1973-74) will be continued. This will be the third school year during which data will be collected and analyzed to determine the short and long term national impact of the program in terms of the Act's objectives.

Objectives for 1976: In order to support the final analysis of two evaluation studies of Basic and Pilot programs, a total of $750,000 is requested for fiscal year 1976. These studies include 75 Basic and 42 Pilot elementary schools, and 54 Basic secondary schools located in 85 funded districts. The evaluation sample includes approximately 27,000 students, 4,000 teachers, 172 principals and 85 local ESAA coordinators, district business managers and superintendents.

Activity: Civil rights advisory services (Civil Rights Act of 1964, Title IV)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	Indefinite	$26,700,000

Purpose: To render technical assistance in the preparation, adoption, and implementation of the plans for the desegregation of public schools, and to provide services and training for people to deal effectively with special educational problems occasioned by desegregation.

Explanation: To carry out the purpose of this activity, project awards are made on a competitive basis to general (desegregation) assistance centers, to State educational agencies, to universities for training institutes, and to local educational agencies for technical assistance and training.

Accomplishments in 1975: About 201 projects (including 121 continuations) are projected to be funded at an average award of $133,000. These projects will include 23 awards for bilingual education technical assistance and training services, and 10 for training of school personnel in dealing with problems of sex discrimination. An estimated 427,000 school personnel will be trained and 10,685,000 students will benefit from these activities.

Objectives for 1976: In order to continue to train personnel and provide technical assistance on problems occasioned by desegregation, bilingual education, and sex discrimination, $26,700,000 is requested in fiscal year 1976. An estimated 221 projects - including about 133 continuations - will be funded. This represents an increase of 20 projects over fiscal year 1975. Beneficiaries are expected to be the same as in 1975--427,000 school personnel trained, 10,685,000 children served.

Amounts Available for Obligation

	Estimate	Estimate July-Sept. 30, 1976
Appropriation	$26,700,000	$325,000
Total, obligations	26,700,000	325,000

Obligations by Activity

	FY 1976 Estimate	Estimate July-Sept. 30, 1976
Training and Advisory Services (Title IV - Civil Rights Act)........................	$26,700,000	$325,000
Total, obligations	26,700,000	325,000
Sub-Activity:		
(a) Technical Assistance:		
State Education Agencies.....	$ 6,075,000	$ 50,000
General Assistance Centers...	15,200,000	
(b) Training Institutes............	3,255,000	100,000
(c) School Board Grants............	2,170,000	75,000
Total, obligations	26,700,000	325,000

Obligations by Object

	FY 1976 Estimate	Estimate July-Sept. 30, 1976
Grants, subsidies, and contributions.................	$26,700,000	$325,000
Total obligations by object	26,700,000	325,000

	1976 Estimate	Estimate July-Sept. 30, 1976
Training and Advisory Services (Title IV - Civil Rights Act):	$26,700,000	$325,000
(a) Technical Assistance..............	21,275,000	150,000
(b) Training Institutes...............	3,255,000	100,000
(c) School Board Grants...............	2,170,000	75,000

Justification for Transition Period

Program Purpose

In order to provide technical assistance in the preparation, adoption, and implementation of plans for the desegregation of public shcools, and services and training for people to deal effectively with special educational problems occasioned by desegregation, this program, authorized by title IV of the Civil Rights Act of 1964, makes grant and/or contract awards to general (desegregation) assistance centers, to State educational agencies, to universities for training institutes, and to local educational agencies.

Plans for Interim Period - July 1, 1976 through September 30, 1976

A total of $325,000 is requested for Training and Advisory Services (Title IV - Civil Rights Act) for the interim budget period. These funds are requested for support of the following training and advisory sub-activities, for the reasons stated below:

(a) Technical Assistance $150,000
An estimate of $150,000 is requested to fund technical assistance programs under this activity -- General Assistance Centers (GACs) and State Education Agencies (SEAs). The total amount is broken out as indicated below:

GACs	$100,000
SEAs	50,000

This amount is less than 1% of the proposed funding at the FY 1976 budget estimate level of $21,275,000. The minimal request of $150,000 is being made to cover necessary emergency needs which may occur during the interim budget period. This is a forward funded program and awards are not normally made during this period of time.

(b) Training Institutes $100,000

An estimated $100,000 is requested to fund training Institute programs under this activity, which is about 3% of the proposed funding at the FY 1976 budget estimate level of $3,255,000. Only a minimal amount has been requested for the interim budget period to cover any needs of an emergency nature which may occur. This is a forward funded program and awards are not normally made during this period of time.

(c) School Board Grants $75,000

An estimated $75,000 is requested to fund State education agency programs under this activity, which is less than 4% of the proposed funding at the FY 1976 budget estimate level of $2,170,000. Only a minimal amount for the period July 1 through September 30, 1976 has been requested to cover any needs of an emergency nature which may occur. This is a forward funded program and awards are not normally made during this period of time.

SUBCOMMITTEE RECESS

Senator **MONTOYA**. The subcommittee will stand in recess until 2 p.m. when we will resume hearings on this account, and also take up Education for the Handicapped and Vocational Education.

Thank you.

[Whereupon, at 12:25 p.m., the subcommittee was recessed, to reconvene at 2 p.m., the same day.]

[Afternoon Session, 2:10 O'Clock, Tuesday, March 18, 1975]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

Education for the Handicapped

STATEMENT OF DR. EDWIN W. MARTIN, ACTING DEPUTY COMMISSIONER, BUREAU OF EDUCATION FOR THE HANDICAPPED

ACCOMPANIED BY:

DR. T. H. BELL, COMMISSIONER OF EDUCATION

ROBERT B. HERMAN, ACTING ASSOCIATE DEPUTY COMMISSIONER, BUREAU OF EDUCATION FOR THE HANDICAPPED

DR. HERMAN L. SAETTLER, BRANCH CHIEF, DIVISION OF PERSONNEL PREPARATION, BUREAU OF EDUCATION FOR THE HANDICAPPED

DR. MAX W. MUELLER, RESEARCH COORDINATOR, DIVISION OF INNOVATION AND DEVELOPMENT, BUREAU OF EDUCATION FOR THE HANDICAPPED

DR. PAUL R. ACKERMAN, JR., CHIEF, PROGRAM DEVELOPMENT BRANCH, DIVISION OF INNOVATION AND DEVELOPMENT, BUREAU OF EDUCATION FOR THE HANDICAPPED

CORA P. BEEBE, ACTING DIRECTOR, BUDGET DIVISION, OFFICE OF EDUCATION

WILLIAM DINGLEDEIN, OFFICE OF THE COMPTROLLER, OFFICE OF THE SECRETARY

BUDGET REQUEST

Senator Brooke (presiding). The subcommittee will come to order. The next item before us is the budget request for "Education for the handicapped." The request includes a $50-million advance appropriation—for fiscal year 1977—for the State grant program—or $50 million less than last year's appropriation.

Another $125 million is requested for the various categorical programs.

Dr. Martin, the Deputy Commissioner, is here to explain the request and, hopefully, shed some light on why HEW is proposing to reduce support for this program.

PREPARED STATEMENT

You may proceed with your statement.

Dr. Martin. Senator, I would be pleased to submit my statement for the record, if you like?

Senator Brooke. Without objection, it will be printed in the record in full.

[The statement follows:]

Mr. Chairman and members of the Committee:

We appreciate the opportunity to present the Fiscal Year 1976 budget request for education of handicapped children.

For several years we have presented this request to the Committee as one important part of a national drive to establish education for handicapped children as a fundamental right under our system of government. The nation is making good progress toward that goal.

This year we estimate almost 3.75 million children of school age will be enrolled in special education programs, 62% of the total need. While for the 38% unserved children the delay in receiving services is intolerable, the total served has doubled since the days in the middle 1960's when Federal efforts began in earnest.

While this growth in services has been primarily a state and local effort reaffirmed by new state laws and ordered by increasing numbers of courts, reports from every state credit federal efforts with providing a national focus of attention on this program and supplying resources for growth; funds to support new models of services; to train teachers; to provide new materials for the deaf and blind which allow learning to proceed despite sensory deficits; to begin needed programs where state law did not provide support, particularly for severely handicapped children wuch as the deaf-blind, and for developing preventative programs for very young children.

In 1974, Congress passed legislation requiring the states to assure education for all handicapped children and making illegal all forms of discrimination against handicapped persons. The funds in this budget request will assist more than 250,000 children receive educational programming through grants to the states; will provide educational and cultural materials to more than 250,000 deaf adults and children; will assure education for 3,600 deaf-blind children; will support 243 early childhood education programs ultimately benefiting about 100,000 children and stimulating greater State and local efforts; and will help train approximately 75,000 teachers through full or part-time study. As the benefits of these programs spread throughout the educational system, more than 1 million children will benefit from these catalytic efforts.

Now, let me turn to a program by program analysis of our budget request:

State Grant

In the State grant program, we are requesting $50,000,000 which is the same as the level requested in the previous year's budget. Increased requirements for serving handicapped children, imposed by P.L. 93-380, have been taken to assure that State education agencies. Steps will be taken to assure that States are implementing plans to guarantee that every handicapped child be afforded an equal opportunity for an appropriate education.

Funds for Grants to the States primarily represent support for direct educational services, a role we feel is a State and local responsibility. Rationale for the Federal role at this time is as a stimulus for State and local action through the development of resources such as trained personnel, new curricula and materials, support for model projects, and the like. While we are not asking for basic support for State programs, we are asking for a $25,391,000 increase to help us expand our support efforts for State growth and development.

Deaf-Blind Centers

To support the Deaf-Blind Centers program we are requesting $16,000,000 which will maintain and improve diagnostic, prescriptive and full-time educational services to more than 3,600 deaf-blind children in the United States.

The $4,000,000 increase in funds will provide for increased numbers of children moving to full-time educational services. It will also permit expanded efforts in the area of prevocational training for many of these children who were affected in the 1963-65 Rubella epidemic.

Severely Handicapped Program

The $3,250,000 requested for the Severely Handicapped Program establishes a National priority for this target population and will help demonstrate long-term benefits of providing services to these children. As a result of this Federal effort we expect to see increased access to, participation in, and expansion of specialized programs for severely handicapped children at the State and local levels.

Early Childhood Education

We are requesting $22,000,000 to continue the Early Childhood Education program which aims at stimulating State services to the estimated 1,000,000 preschool aged handicapped children. This $22,000,000, an increase of $8,000,000 over the last year's level, will support 187 demonstration and 56 outreach projects directly impacting on 59,000 children. This program will be operated in close coordination with State public and private agencies. Priority plans will be developed on an individual State basis with projects being funded under specific criteria according to the greatest needs identified by the individual States.

Specific Learning Disabilities

In the Specific Learning Disabilities program we are requesting $4,250,000, an increase of $1,000,000, to support 35 child service demonstration centers having direct impact on 34,500 children. The centers will continue efforts to stimulate, develop and expand diagnostic, prescriptive, and evaluative services for children with specific learning disabilities.

Regional Education

A request for $2,000,000 is being made to support the Regional Education program; this is an increase of $1,425,000 over the amount appropriated in 1975. Newly enacted under P.L. 93-380, this program continues, expands and modifies postsecondary and vocational programs to provide for the participation of handicapped persons.

Research and Demonstration

The $11,000,000 requested for Research and Demonstration, an increase of over $1,000,000, will support applied research, demonstration, and dissemination activities in the critical areas of early childhood, career education, personnel development, and education of the severely handicapped.

Media Services and Captioned Films

An increase of $3,000,000 is requested for the Media Services and Captioned Films program. With the total of $16,000,000 we will support efforts, through the Area Learning Resource Centers and the National Center on Educational Media and Materials, to develop specialized learning and media materials needed by classroom teachers. In addition, support will be given for the marketing and implementation of already developed curricula, techniological advances, and materials.

Regional Resource Centers

The $9,750,000 requested for the Regional Resource Center program will be used to continue development of child appraisal and exemplary educational programming practices to meet the specialized educational needs of handicapped children. Additionally, this program will foster the development of direction centers which will assist parents and professionals in the identification, screening, evaluations, and prescription of appropriate educational programs for the handicapped.

Recruitment and Information

The increase of $500,000 in the Recruitment and Information program for a total of $1,000,000, will be devoted to the development of coordinated information and referral centers at the State and/or local level which will assist parents in locating appropriate professional assistance and programs to meet the educational and related needs of their handicapped children.

Special Education Manpower Development

We are requesting $39,750,000, an increase of over $2,000,000, for the Special Education Manpower Development program to support universities and State education agencies in training special education personnel, teachers, and students.

Now, I would be pleased to answer any questions you may have.

Senator **Brooke**. Do you have a summary or sanitized version?

Dr. **Martin**. No, but I think I could just speak extemporaneously. Basically, Senator, we are continuing to attempt to play a positive role in the stimulation of States and local communities to educate handicapped children. The budget request increases in a number of areas where we think there is a leadership role to be played.

For example, in preschool education; in the development of better services for parents to provide them with information and direction; in increasing the numbers of teachers; and in increasing the availability of materials and equipment, all of those things are reflected in the increases.

As your opening statement indicated, we are requesting $50 million in grants to the States, which will assist them in initiating, expanding or improving the programs for the handicapped. This reflects the current policy of the Department, our role is not one of basic check writing for services for children; rather it is a more targeted catalytic role designed to focus on areas of particular need.

Senator **Brooke**. Just for the record, Dr. Martin, would you give us your definition of what are handicapped children? What is a handicapped child?

Dr. **Martin**. Yes, a handicapped child, under Federal law, includes by label a number of various kinds of children, like mentally retarded children, seriously emotionally disturbed children, children who are deaf and blind, children who have speech and hearing handicaps, children who have physical handicaps, and children who have other health impairments. The sum total of any of the disabilities must require a special educational approach on the part of the schools.

Senator **Brooke**. Now, for years, HEW was telling us there are 7 million handicapped children in the United States.

Can you tell us how many are in school and how many are getting special educational services and how many never get any education?

Dr. **Martin**. Yes, sir. The overall total of children between 0 and 19 years of age, which is a new way we have been breaking out the children and includes the preschoolers, is about 7.8 million children. Of school age in the population from age 6 to 19, there are about 6.6 million children.

Of those, Senator, 55 percent or just about 3.7 million children are served. In the 0 to 5 age range, we estimate about 1.1 million children and about 22 percent of those are served.

The overall figures show about half served and half unserved of the total 0 to 19 age population.

Senator **Brooke**. One million are excluded entirely from the public school system?

Dr. **Martin**. That is an estimate, Senator. For a number of years, I have estimated between one-half million and a million, based on experience, for example, in the State of Washington and other States that have done searches to try and locate all the handicapped children and then extrapolating that, on the assumption that that kind of an exclusion factor might be randomly distributed, Senator. More recently there has been a study called Children Out of School by the Children's Defense Fund, which estimates that there are 2 million children of all kinds, not only handicapped children, out of school, so this is all together.

And they, too, seem to feel a major number of those children are handicapped. So, I think the estimate between one-half million and 1 million is still a pretty fair, fairly good estimate, Senator.

STATE AND LOCAL RESPONSIBILITY

Senator **Brooke**. You spoke about the education of a handicapped child as being a State and local responsibility. Do you have any indications that the States have funds to do this job?

Dr. **Martin**. Well, I think they don't have the funds in absolute terms to do the job at this time, but on the other hand there has been an increase in the State expenditures for special education, as State laws have come into play, and as the courts have ordered compliance with the equal educational opportunity provisions.

But, I think the literal answer, Senator, is that the States don't have the job done now and a number of States are saying to us that they won't be able to move ahead as quickly as they would like.

Senator **Brooke**. Did you consider this when you were preparing the budget; namely, the State and local ability to fund this?

Dr. **Martin**. Well, yes, and no. I mean, let me say how it is "yes". In the course of the budget hearings, not only this year but for the last year or so, in fact, since Dr. Bell has become Commissioner, he and I and others have spent a good deal of time talking about what the Federal role might be in relation to handicapped children.

There are a range of alternatives ranging from those we present here to one in which the Federal Government, on the other hand, Senator, the Federal Government federalizes the expenses of education of handicapped children as they have welfare payments to the totally and permanently disabled, or there can be some middle point. But, our national policy, developed by HEW and others was to maintain a smaller Federal role insofar as the service provider role is concerned and to focus on building the resources in the States; such as, materials and resources and stimulation of model projects.

So, we have in fact discussed it, and the discussion continues year by year as we begin to develop a budget, because we are very much aware of the needs to serve handicapped children.

Senator **Brooke**. I just wonder how much effect and impact it has, say, in decreasing the budget request?

Dr. **Martin**. In decreasing it?

Senator **Brooke**. Yes, I mean in the sense that your request would allow for X number of dollars which you anticipate the State and local governments will generate.

Dr. **Martin**. Oh, we have not made projections like that in the Office of Education and it has really been more a philosophic issue of in which program is the Federal Government going to make a financial commitment to provide services, and which services are not going to be provided by the Federal Government. And the Congress itself has obviously been facing that issue in legislation pending before the Congress this year and last year.

And it seems to me that public policy in this area is not really fully determined yet.

Senator **Brooke**. But, it is a matter of consideration?

Dr. **Martin**. We've spent many hours on it, Senator. I think probably more than on any other single issue.

COMMITMENTS TO HANDICAPPED CHILDREN

Senator **Brooke**. Now, how do you expect to effectively meet your commitments to the handicapped children when the budget proposal is at the same level of funding? As I recall, Commissioner, you even asked for a rescission of $50 million from the 1975 appropriations, correct?

Dr. **Bell**. That is right.

Senator **Brooke**. So, how do you expect to meet your commitments to the handicapped children under those circumstances?

Dr. Martin, the question is addressed to you. I am making the point that you are requesting the same funding level this year. I just wonder how you expect to meet the needs of the handicapped children?

Dr. **Martin**. If the same level requested last year is $50 million less than Congress appropriated, you mean? And the answer is that I don't believe that the budget is predicated on the assumption that this money will, in fact, play a major role in paying the bill for services. Instead, it will allow the States, Senator, to begin programs in areas where they haven't previously done it.

So, it is in a sense a kind of risk capital that the Federal Government gives. Let me give you an example.

Many States will use these funds to set up new programs for identifying children or they may use them to start instructional materials centers which special education teachers could use, that is, things not available to them under current State law and things that are very useful. And, in fact, the general response you get from State education directors is that Federal funds have allowed them to make improvements in programs, to open up new areas that they never could have done.

But, it doesn't, at the same time, help the directors to pay the bills for thousands and thousands of children, and I don't think there is an assumption here that it would. That is really the issue that remains to be resolved in these hearings and other hearings.

We have faced that question many times where there is an implied commitment on the part of the Federal Government to do more, but the authorization level—well, for example, right now, the authorization is $100 million for grants to the States, so that suggests that the total magnitude of the money, even if the Congress appropriated it—I mean, the full $100 million—and even if the Congress appropriated it, we would still be somewhat less than a major contributor.

Now, at the same time, Congress is and has considered legislation that would change those authorizations, so that I think that policy has yet to be determined, Senator.

Dr. **Bell**. I think that the administration, Senator Brooke, is reluctant to move into what we refer to as a "service program" where they would attempt to address themselves to those some 3 million school-aged children that aren't getting services. And for them to take that on as a Federal responsibility out of Federal funds, Senator, would require many hundreds of millions of dollars, really, to render a service to that many children. So, I think they have been reluctant to move in that direction.

And as we look at the problems that we wrestle with in the Office of Education, we get a gross dollar amount from which we start budget building, you see, as we work in the Department of HEW, which is part of the executive branch. And as we wrestle with that problem within the total dollar amount that we have, it causes us considerable concern about what future dollars might be allocated and how much of them we would need if we assumed responsibility for servicing all of these children that aren't now receiving services. That would become a huge part of that budget if we did that, Senator.

So, I think that has gone into the deliberations. It is a hard deliberation because we can't turn our backs on the fact that these handicapped children need educational services. Hopefully the States will continue to make progress there. They have made some, not as much as I would like to see, Senator, in meeting these needs and providing the service just like they ought to be doing for all these children, but they have made some progress and much of this has been as a result of court litigation, as I am sure you are aware.

FEDERAL COMMITMENT

Senator **Brooke**. Well, what do you consider, Commissioner, to be the Federal commitment to the education of handicapped children?

Dr. **Bell**. I believe one of encouraging the States——

Senator **Brooke**. Not what it ought to be, though, but what it is.

Dr. **Bell**. The Federal commitment? I believe the commitment is one of stimulating more service and of meeting what we have called capacity building needs in solving the teacher shortage and building instructional materials and doing certain developmental type activities and then to fund a limited number—and obviously, since we have had basic grants for some time, the question is how limited should this limited be—and then funding a limited number of basic programs that can be catalytic in nature and demonstrating good programs.

And through that, Senator, lending encouragement to the States and to State legislatures to make appropriations in these areas.

Senator **Brooke**. Stimulation, then, would apply to all handicapped children, I presume?

Dr. **Bell**. It certainly would.

Senator **Brooke**. And the funding programs would apply to how many?

Dr. **Martin**. About 250,000 children would participate in this particular $50 million program through various projects. In other words, these funds are used as partial support and State and local support goes with it.

Senator **Brooke**. But, you see the primary Federal role as that of stimulative or catalytic, is that correct?

Dr. **Martin**. That is the way we have seen it, Senator, and we think that the size of the authorization in the bill must have assumed that this was the congressional intent, otherwise the authorization would have been large enough to address itself to this group of services.

Senator **Brooke**. Then, your budget request reflects your view of the Federal role and I presume it would be adequate for you to keep your commitment as you see that commitment?

Dr. **Bell**. Yes, but I should also add that I think it also reflects the gross dollar amount that is available to us and that is a limited amount of money. And we must give careful consideration, as we initiate the purpose through the Department and to OMB and ultimately here, to the amount that we can have available to us and then how much of that ought to be for the education for the handicapped budget.

Dr. MARTIN. This is a most difficult question, obviously, Senator, and the House has expressed our own feeling in that this is a job in which we are impatient, as well as you are, and we see a great need. There are a lot of forces, you know, acting on the States.

For example, in your own State, as you know, in your act of 1966, it calls for implementation and in many other States there are similar statutes, for implementation of full education of handicapped children. Now, we make some effort to help them there.

The funds under this Education of the Handicapped Act, have been used to locate severely impacted children. A project in Randolph found 250 such children in 21 surrounding school districts and set up a cooperatively based program. Another part B project helped locate 200,000 children with learning disabilities, and then the States picked them up with their own programs.

So, we feel the programs running now are helpful. They do provide a way of initiating services and hopefully to set up things like cooperative ventures and things like that, which are often followed up by State laws.

So, in a sense we are not moving upward in service support level, as we would like, because of this underlying assumption of dollars in the budget, but we are asking for increased funds, Senator, in the various programs which we think will help stimulate services for young children, for deaf-blind children, and severely handicapped children and, in essence, bring attention to those youngsters whose need is greatest.

So, it is a balanced proposal. And the only real argument, I think with it in our own shop or between the Congress and ourselves so far, Senator, is the extent of the role of support.

If you take 3 million children and if you were to say the cost of educating those children above their regular cost of tuition is $2 billion to come from all sources, then the question is what should be a Federal share in that and should the Federal Government be involved in the payment at all and should it be a 10-percent, or 5-percent, or 30-percent partner. And the answers to those problems are not clear yet.

And, as Dr. Bell just said, the overall figures of the budget available to us leads us—rather, it led us to the situation where we did not put ourselves into the place of picking up a partnership and then not being able to pay our bill.

THE FEDERAL ROLE

Senator BROOKE. I interrupted you previously, Commissioner, and you were saying what you thought the Federal role ought to be. I asked you to respond to the question what the Federal role is.

Now, do you believe that what the Federal role is, is what the Federal role ought to be?

Dr. BELL. Given more money, greater resources, I could see a larger Federal role, but given our present fiscal constraints and obviously since we initiate the budget, I think that this is as much as we can have.

But talking now about what it ought to be if we made major policy decisions, which is beyond my purview obviously, of putting more of the present dollars into education—and of course, I am biased about how much ought to go into education, like other agency heads are for their own programs—but given that, Senator, if there was a major decision made to allocate more of the Federal Government's resources to education, I would see us looking at the possibility of some kind of an approach that would stimulate the States to move more rapidly in that direction and possibly some matching approach and so on.

But, given all the other program activities that we have taken on and given our limited resources and looking at this enormous deficit that we are facing this year, we had to look at the practical and not the ideal.

Senator **Brooke**. All right, and using Dr. Martin's figures, we have $2½ billion, is that what you have said, Doctor? Now, should the Federal Government take over, say, the funding for the education of all the handicapped children? Would that be a goal? Do you think that is a laudable goal?

Dr. **Martin**. Well, I don't think we should do that because——

Senator **Brooke**. I am not talking about fiscal restraints or anything of that nature now; I am just talking about is it a good thing for the Federal Government to do.

Dr. **Martin**. Well, I wouldn't think so, not that total load. I think since education is primarily a State responsibility, I think the States ought to carry a portion of that burden or at least half or more of it.

Senator **Brooke**. Would that be the optimum?

Dr. **Bell**. Yes, and as I look at some of the States that are meeting this need now, it indicates to me that maybe others can do it. It isn't just the wealthy States that are educating their handicapped children. There are some that aren't known as high per-capita income States, like the State of Minnesota, for example, which has an extremely excellent program of educating handicapped children with large amounts of State aid and that's just to mention one.

So, that indicates to me that where it is a priority in the State and where State legislatures want to do it, they can do it. So, I would like not to see us assume that role, that responsibility, Senator.

But, to expand my comments further, Senator, I believe that the Federal responsibility in education generally ought to be to move in and encourage programs in those areas where we have nationwide problems. I quickly concede that education of handicapped children, is a problem that is almost nationwide, and which only a few States which I indicated, have really moved in on.

So, I think there is a justified role of responsibility there. And the matters now to be considered are, are we allocating wisely out of our scarce resources, and what do we have to allocate in this area, given the other claims that we have on the budget?

REVENUE SHARING

Senator **Brooke**. Has there been a dramatic increase in State aid to the education of handicapped children since revenue sharing?

Dr. **Bell**. I don't know. Would you know about that, Dr. Martin?

Dr. **Martin**. I know of——

Dr. **Bell**. I know there have been increases, Senator. I don't know as they relate to revenue sharing or not?

Dr. **Martin**. I don't think that has been a general pattern, although I know of States that have used general revenue-sharing funds for education of handicapped, but I understand it is on a one-shot basis and includes $40 million or $50 million, if I am not mistaken, to make the first surge of effort in this area after the court ordered them to educate all retarded children, but I haven't seen in the last report any major use of revenue-sharing funds in that way, no.

Senator **Brooke**. Do you concern yourself with trying to get States to use funds such as general revenue-sharing funds for this purpose?

Dr. **Bell**. Yes, we have encouraged and advocated this, and of course this requires effort on a State policymaking basis, that is, Governors and legislators, of course, are the decisionmakers here, as well as the education people on the State level.

But, we have advocated this and I am pleased to know that at least a fairly good portion of the total general revenue-sharing funds have gone to education, but not particularly in this field. It has been more the general support of education, Senator.

Senator **Brooke**. I don't want to spend an inordinate amount of time on that, but I would appreciate it if you could, for the record, find some relationship between general revenue sharing and an increase in State aid to handicapped children. Could you?

Dr. **Martin**. All right, just let me make sure I understand your request. Would you be looking for a correlational relationship or actually looking for expenditures under revenue-sharing funds?

Senator **Brooke**. Well, a correlational relationship.

Dr. **Martin**. OK, I can tell you that——

Senator **Brooke**. And I would hope, personally, that some of this revenue-sharing money would have been used for this purpose, but I am just trying to ascertain whether that is a fact.

Dr. **Martin**. OK, we will try to get a report from the revenue-sharing people as to whether they have seen a direct relationship. We do know that the States have increased their funding.

For example, the numbers of handicapped children served has been increased by about 1.7 million over the last 6 years, so that obviously shows a correlation in dollars, both before and after revenue sharing, but we will get that.

[**Committee note**: The department could not supply the requested information.]

DISCRETIONARY PROGRAMS

Senator **Brooke**. All right. I note that you are asking for more money for discretionary programs such as early childhood education, and then you are requesting a deep cut in basic grants even after Congress has made it clear that it wants to maintain the grant program at a high level.

Why do you go contrary to the Congress in this matter? How do you choose your priorities?

Dr. **Martin**. Well, if you would permit me to change the assumption, let's assume that the issue about the State funding is a separate issue where there is a larger policy decision made whether we are going to be a service provider or whether we are not. And let's assume we lost that issue and that is over.

Now, let's say amongst the things we can do, why do we choose to put money where we put it. And we decided to put it in early childhood education, Senator, because we feel that is where we can get the highest payoffs in terms of benefiting children and also in terms of reducing the later costs for education.

For example, many of these children who have been in preschool projects for a year or two will be able to go into much less intensive education settings than they have before. We have youngsters with a severe hearing loss, for example, who had they been left untreated until they came of school age, they would have been operationally deaf. They would not have responded much to language and they would not talk. But, those same children, whose parents have been help [1] to train them through the earliest years and through special projects and who have had amplification and who have been trained with specially trained personnel, and so on, many of those youngsters will go to local school programs and receive support from specially trained personnel, but they will be much more involved in the normal course of schooling and they will be much less expensive to educate than if they had to be trained as a totally deaf youngster.

And in areas of emotional disturbance, for instance, we had several projects, one in Seattle—and one in Los Angeles that comes to mind—and one in New York City, that worked with youngsters who were in a sense rejected by the schools when the time came for enrollment. These youngsters were rejected even by the kindergarten and preschools, because they didn't behave in a way that would fit in with the schools.

Well, within a year or two, 70 or 80 percent of those children were then able to go back and work in the regular schools. Last year we gathered reports from our model preschool projects in 100 such projects, and over half the children went back into regular education settings as opposed to going into special schools or specially designed settings. So that is why we picked the early childhood area to concentrate on.

Also, there is a readiness out in the community to pick up projects and to follow up on them. We have approximately 150 projects which are federally funded and we have had more than 500 projects that have replicated those models in the States on their own and sometimes using other Federal funds available, but many times just using State and local funds.

But, those are not directly funded by us. One thousand additional projects took components of these models and made them part of their own projects, Senator.

So, the result of that is that while we trained through our model project 8,300 youngsters, there are 45,000 youngsters involved in replication projects. So, we have seen a tremendous multiplier effect in this program and this has also been of great benefit to children. That is why we made it a major priority, Senator.

If you take it that way, I think it makes more sense than if you say: "Why don't you give this money to the States and do something else instead?"

STATE PLANS

Senator **Brooke**. I believe by law you are required to have the school officials submit blueprints showing you when they plan to provide adequate education to all handicapped children and I believe you are required to have these submitted and approved by your Agency by August 21 of this year?

Dr. MARTIN. That is right.

Senator BROOKE. How is that proceeding? Have there been any objections raised to any of these?

Dr. MARTIN. Well, this process that you describe has two parts. There are some provisions that have had to be done this very same fiscal year.

For example, the State had to make a statement that had a goal of educating all handicapped children, and they had to also setup or describe to the Federal Government how they would protect the due process rights of children in terms of identification and other issues of that kind.

Now, we have gotten draft proposals in from the States modifying their approach, and from those proposals we have really roughly groups of one-third each; one-third were acceptable immediately, another one-third were reasonable but needed some refinement, and there were about one-third that we rejected and sent back for additional work. The basic reason for rejecting the bottom third is because they simply provided a blanket insurance, and they said, "Yes, we are going to do this, and this is basically our business." And we felt as though the Congress had intended for more careful elaboration of their plans than that.

And in some instances there were some substantive proposals; for example, the processes suggested in assuring due process, which were much less adequate than those that had been found acceptable in various courts across the country. So that was another point.

But we haven't had any real complications with the States over this yet. Now in the 1976 plans, those plans are due by August 21, and the degree of detail is much more elaborate. It is here that we get into how many children the States say they have to educate and how many facilities they are going to have to provide and how many teachers and what the personnel needs are and what approximately it is going to cost. And our feeling is that the problems we have with the States in those areas are really of two kinds: one is that many education agencies may fail to account for children who are the responsibility of other State agencies.

INTRASTATE RESPONSIBILITY

For example, seriously retarded children may be the responsibility of a State mental retardation agency, and the education agency historically has not planned for those children and has not been interested in them, and may not have any authority in that State for the education, and yet we feel as though in the congressional intent, Senator, that all children should be planned for and that the education agencies should provide a conduit for information of that kind. So, we think we will have some problem of eliciting that kind of planning at the State level involving other agencies, involving Head Start, involving programs for vocational education, and so forth.

The second major problem we will have is that most States tell us that they are not in a very good position to supply those figures and that they don't have sophisticated data collection systems, and that they don't gather data from the 16,000 local school districts on a comprehenisve basis, so they feel as though it would be very difficult for them to predict the numbers of children and the number of facilities and the number of dollars in anything more than global terms, but as of yet, we haven't had actual plans in hand to either accept or reject for 1976

We have a big meeting coming up with the State directors of special education, Senator, in the next couple of weeks when we are going to be spending several days working in an attempt to make clear what it is we think we need to have and how to recognize that we have a process of successful approximations, but at the same time we think that the data must be given, both because of the law and because the States really need to do this, if they want to do the job properly. So, there is a balancing there.

Senator **Brooke**. Since you seem to be stepping up your funding of discretionary grants, what steps are you taking to see that these programs will conform to the planning to be developed by school officials and the blueprints that they are putting together?

Dr. **Martin**. Well, that is exactly the key feature of what we hope to do, for example, in the early childhood area. Under the Education of the Handicapped Act, under part B, the States will be saying to us, "Here is our plan for school-aged children." And then we are going to ask them to submit another plan to us or some section of the plan, really, for preschool-age children from age 3 or 2 or whatever the school enrollment age is in that State, and perhaps then a third plan for children under the age of 3.

Now, in the plan for the 3- to 5-year-olds and below that, Senator, we are to ask for the identification of priorities for the development of programs and where they want to start those programs and the type programs and so forth. We, in turn then, will use those priorities as a basis for awarding our discretionary projects as well. So, we will be asking the states to publish a list of the kind of projects they might like.

For example, Massachusetts might say: "Our highest priority is to start new programs for emotionally disturbed children, but we also want to start programs to be conducted in the home by school personnel who will visit with the parents." And we will have that list of priorities made public, and when applicants come in for grants under the early childhood program, we will expect them to show how it is related to the two State priorities for the State of Massachusetts, for example. And that will be true in most instances, Senator, unless there is a particularly unique project that we think will be a national model and will be worth funding in Massachusetts, for example, on behalf of other States, even though it is not of a high priority in that State.

But, I think that tends to be a smaller part of the package anyway.

SPECIFIC LEARNING DISABILITIES

Senator **Brooke**. I note your request for specific learning disabilities is up a little over last year. That is $4.2 million, however, the authorization is $20 million for this program.

Now, how do you justify such a low request in this new and sensitive field?

Dr. **Martin**. It is one of a number of programs that have a similar assumption. Most of these programs are designed to stimulate State activities, and they provide models of service.

Now, what we will be doing in these programs, Senator, we will be supporting 35 projects in various States in which the State will be developing its own model of services for children with learning disabilities. The State, in turn—well, California is a good example, and New Jersey is another example of States that have had such model projects and have used them as their design for services to handicapped youngsters.

So, our answer is that we are trying to increase the numbers of models that are available. We would anticipate that there would be about 20,000 children served in these projects, but that they would grow to be an equal number very quickly that would be served in replications of these projects, but again, our assumption is not here, any more than it is in the Regional Education Programs, that we will be the service provider.

Senator **Brooke**. I have been handed an article that appeared recently in the Washington Star. Are you familiar with that article?

Dr. **Martin**. If it is about the children that are suing in a court suit——

Senator **Brooke**. That is correct.

Dr. **Martin** [continuing]. I have read a comparable article.

Senator **Brooke**. It refers to some specific examples and states that, as the Montgomery County (Md.) School Board discussed special education there, the vice president, Harriet Bernstein, noted between 15 and 20 percent of the county schoolchildren are in some way emotionally, physically, or mentally handicapped; yet, the story says, only about 2 percent of these children receive any special education attention, according to uncontested testimony by Mark Haase, a parent testifying for a group of parents of special education students. He is reported as saying that in 1972 the Maryland Commission on Dyslexia found that children with learning disabilities, which are not corrected, soon develop emotional problems that lead to abnormal or disruptive behavior.

To buttress that finding, adds the story, Haase noted a report by a county school psychologist indicating that 90 percent of the elementary school children referred to him have learning disabilities and only 10 percent are emotionally disturbed, which is exactly the reverse at the secondary school children level.

Have you seen that article?

Dr. **Martin**. I have not seen that exactly, but I believe I have seen an article in the Post which is similar and which was stimulated in part by a consideration of the Maryland Legislature to eliminate the State dollars available for special education reimbursement. I think Mr. Bernstein's fear, as I read it, was that the children would be enrolled in the schools but wouldn't get the special services.

SENATORIAL VISIT

Senator **Brooke**. I would like to interrupt the hearings to introduce Senator Cotton, who I am sure is known to you, Commissioner, and others, and who for many, many years served on this committee and has been a great friend of education.

Dr. **Bell**. Right.

Senator **Brooke**. And helped education and welfare generally.

Senator **Cotton**. I am glad to see my chair is well occupied.

Senator **Brooke**. He is a respected friend of this committee.

Dr. **Bell.** Well, we miss you, Senator.

Senator **Cotton.** I was here for 15 years and enjoyed it and miss it. It has been the first winter that I have spent in New Hampshire in almost 30 years and it has gotten a lot colder up there. Thank you.

Senator **Brooke.** Well, Senator, things are still hot down here. It is nice to have seen you, Senator.

Senator **Cotton.** Fine.

Senator **Brooke.** Well, I would ask you to read this article, and if you have any comment for the record, I would appreciate your commenting on this and giving us your position insofar as this is concerned. And if you have any facts or figures that would indicate this wasn't true, or that would be helpful to the subcommittee, we would appreciate it.

Dr. **Martin.** Fine, we will make some estimates of that, if you would like it.

[The information follows:]

Since this article appeared Judge Waddy has found key District of Columbia officials in contempt of court. While this is an unfortunate occurrence, in principal it is a great step forward. The right of a handicapped child to an education must be protected, and this event may well help create greater public awareness and support for a serious commitment toward that end. Nationally, about 45% of school aged handicapped children are not receiving an appropriate education and perhaps 500,000 to 1 million children are excluded from educational programming, either at home, or in institutions where they receive no formal training. The majority of unserved children, such as those cited by Ms. Bernstein are in school, but not in specially designed programs.

REGIONAL RESOURCES CENTERS

Senator **Brooke.** Next, it would help for me to know that the regional resources centers do. Take one of your centers and describe its activities, if you can.

Dr. **Martin.** Let me give you a general description. The centers were designed to help teachers. The way they have been operating has been first to develop procedures for the evaluation of children. We were just talking about learning disability children, for example, and they have been unknown in the schools previously and unrecognized, I should say, because their problems are sometimes quite discrete. They are essentially normal children, you see, in intellect and physical characteristics many times, but they have had learning problems that show up in the way they process information.

They have either a difficulty in reading, or in speaking or in writing. So the question of evaluating such children and attempting to do it on an educational basis rather than on a medical basis has been of prime concern. Similarly, with retarded children, you see, all retarded children are not alike. They don't have common learning characteristics. They are not stamped out of a mold.

And to some extent our use of these labels has implied a homogeneity that really doesn't exist. So, there has been a great interest in special education in attempting to evaluate the educational performances of children and what are their strengths and what do they need to do, rather than be concerned with their medical labels on their classification labels.

And the resource centers are model and demonstration centers designed to set up and demonstrate the utility of these kinds of appraisal centers where a youngster would have his learning characteristics appraised and where a kind of plan would be developed for him, an individual learning plan.

Now, at the present time the centers really have a major purpose of attempting to encourage communities and States to establish such programs. We feel as though the experience we have had with these shows that they were of use and that the point now is to help the States develop such centers.

They are particularly useful in a given community. For example, let us say in the State of Iowa we will have a regional resource center and there may be a number, you see, spaced around the State in intermediate units, in units that are specially developed to offer services. So they will serve 15 counties, and they will have a staff of specialists who can work with teachers and special education people in those counties and provide a central pool of manpower, which is hard to get, you know, and which is highly specialized, rather than having each little school district try and develop all of its own expertise independently.

Senator **Brooke**. Does one regional resource center service more than one State? Does it vary?

Dr. **Martin**. Yes, it does vary. We have 13 centers now. Some service one State. If a State has more than 2 million in population, they are eligible for a single State center. If they have less than that, there are four or five States grouped by geographical areas then.

There are at the present time 13 plus 1 coordinating unit. California, for example, has made excellent use of its regional resource center. They have a new State law which calls for planning units within the State, centers where educational planning will be done for a surrounding geographical area, and they have put a regional resource center right in each of these planning centers and their staffs then are helping the local districts plan for how many children they will have and how to evaluate them and how to identify them.

Senator **Brooke**. Do they offer any services to State legislatures?

Dr. **Martin**. No, they don't tend to do that type of expertise, other than as a witness, but they tend primarily to help with the development of techniques for evaluating children and to help setup what you might call a "service delivery system." This is an alternative service delivery system.

If you picture the special education centers as they have been historically, there are a series of independent, self-contained classrooms without much linking mechanism there. The resource centers at this time can be an initial entry place for schools, social workers and speech and hearing specialists, who can work together to do a team diagnosis on a youngster and help his teacher plan a program for him. That is a model of service delivery that we think will be much better than the one of each teacher in a special education situation being on her own and making up the script as she goes along.

SEVERELY HANDICAPPED

Senator **Brooke**. Now you are running about 16 projects in the program of assistance for the severely handicapped. Is that an up-to-date figure?

Dr. **Martin**. Let me just check, sir. Yes, it is an up-to-date figure. That includes grants which will be made during the remainder of this fiscal year, which ends June 30.

We have, in the process now, applications in hand and we will be anticipating funding of those to go along with the ones we have, and then the budget before you will increase the total number of 21, which will involve 12 continuations and——

Senator **Brooke**. So, you have $3.2 million and you can now fund an additional five, I take it.

Dr. **Martin**. Yes, sir, that is right.

Senator **Brooke**. That is under the Congressional request?

Dr. **Martin**. Some will actually terminate. Some have their 2-year block of time which will move up and others will replace them.

Senator **Brooke**. What will they be used for?

Dr. **Martin**. Well, the basic purpose of this program is to help really generate some knowledge about how to educate severely handicapped children. Most States are adopting a plan where they are deinstitutionalizing children. They are saying, "all right, here are some youngsters in the State hospital for the retarded, the State hospital for the emotionally disabled and they ought to be at home and they ought to be in the local community."

You see, the local schools have never really dealt with those youngsters. In fact, the State hospitals frequently do not educate them. So, the States have turned to us, then, and I will use the example of the other day, for example, in Pennsylvania, when the court ordered the education of all retarded children, the people of Philadelphia came to us.

They said: "Can you help us, where do we begin?" Well, these projects would provide models around the country of people who do have some experience in the area and who are demonstrating already some capacity to do that. And we will expand their model and help them disseminate it to other people, so that by the time, Senator, we have these 21 in place—well, for example, we will be in a much better position then to say to a State or community that has wanted to start service programs for the excluded children we talked about, to say:

> Here is a model that works for severely handicapped autistic children. Here is a model that works with severely retarded and deaf children. Here is a model that works with severely handicapped cerebral palsy children.

Basically, these are the kids that have been excluded and gotten the worst programing. There is a tremendous job to do to gear up in the public school setting programs of this kind.

Commissioner, I believe you were in a school district before you came to the Office when it was beginning severely handicapped projects. Did you have that problem of starting from scratch?

Dr. **Bell**. We surely did.

TECHNICAL ASSISTANCE

Senator **Brooke**. All right, now, next "Technical assistance." In your justifications, the implementation of new State plans would require increased Federal technical assistance. Where is that in your budget and how much is it?

Dr. **Martin**. Well, it is really in our salary and expenses with regard to State grants and justification for personnel. We have a very small staff at the present time that works with the States, Senator. We have a schedule of eight specialists and we are hoping to be able to add two more from our requests for personnel. This would bring us to one special education expert for the Federal regions to deal particularly with the five or six States in that region.

In addition to that, we would use, from time to time, persons from other parts of the Bureau. For example, we have four people who work in the early childhood program, and you see, one of them might join with the States. So, basically, we are talking about using our own staff to work with the States.

We have also used other mechanisms, for example, a funding conference, in which we invite State employees and in which we bring together persons from colleges and universities and from other school districts to get an exchange of ideas.

As I mentioned to you earlier, we do have a real need for this kind of activity since there are these new State plan requirements, and we will be minimally staffed, I might say, to meet those needs, but we will be more staffed than we currently are.

Senator **Brooke**. So it is contained in salaries, really.

Dr. **Martin**. Yes, that is right.

DEAF-BLIND SERVICES

Senator **Brooke**. Now, Dr. Martin, how much does it cost to educate a deaf-blind child as compared to any other child?

Dr. **Martin**. Yes, well, there is a range in services and it can range from $7,000 to $8,000 or $12,000 or $15,000, depending upon the severity of the disability——

Senator **Brooke**. Over and above?

Dr. **Martin**. Well, the total costs.

Senator **Brooke**. The total?

Dr. **Martin**. You tend to find youngsters of this kind in special programs and not integrated into a regular class, although, for example, in Arlington County they have a special classroom for four deaf-blind youngsters. Well, if that program includes a teacher, which of course it does, and let us say an aide on at least a part-time basis, you are dealing there with a cost of perhaps $16,000 or $18,000 in basic salaries, plus other costs on behalf of four children.

So, you can see the costs that are involved.

Now, we have been following a plan here, which is really unique, so when the rubella epidemic hit in 1964 and 1965, there were thousand of deaf-blind children, actually 5,000 to 6,000 to 7,000 children that were born and there were 20,000 to 30,000 additional handicapped children less severely handicapped born, and only 100 special education facilities in the United States—there were some in Alabama—that could educate these children. And since that time, under this budget, we will bring that number of the full-time deaf-blind students up to 3,600 and the average cost is going down as well.

For example, it will be around $3,500 of Federal cost to be shared by State and local communities. And we have now reached a point where the State and local governments are paying much more of their share than they did in those first years when we geared up as really a response to a catastrophic condition.

Here were these youngsters and people were totally unable to cope with them and they were the most severely impaired. The teachers and others didn't know where to begin and the parents were going out of their minds, and the Federal Government really came in here and helped where no one else could.

We trained the teachers and we started special diagnostic programs. There are now 300 programs around the country serving small groups of deaf-blind children. We have gotten people into this from all areas. There are Easter Seal centers involved and community speech and hearing centers and schools for the blind and public schools and hospitals and a whole range just wherever someone was willing to begin such a program and commit their own resources to it, Senator, and we have helped them with that duty.

Senator BROOKE. I remember an experience I had in giving a commencement address in Perkins and I forget the figure, but how many are there of deaf-blind children in the country today?

Dr. MARTIN. We have identified over 4,414 already by name of these children under 21. There are an estimated 1,000 to 1,500 more that we haven't yet found, who are in, for example, State programs for the retarded and who are not really identified. Many of these youngsters have become deaf and blind from the rubella epidemic and were born with multiple physical handicaps.

Many more can't talk and if they can't respond, it is pretty difficult to tell you, you know, what the full magnitude of their disability is.

Senator BROOKE. I think you requested $16 million to educate 3,600?

Dr. MARTIN. Right.

Senator BROOKE. These are deaf-blind children?

Dr. MARTIN. Right.

Senator BROOKE. So, you would estimate that approximately half of the deaf-blind children are being educated?

Dr. MARTIN. Oh, I think it is coming closer than that. I think it is more than half. I think it is 3,600 out of 5,000 as the minimum targeted for services.

Senator BROOKE. I thought it was above that.

Dr. MARTIN. Yes, there are others.

Senator BROOKE. I was basing it on that figure.

Dr. MARTIN. The reason I am not counting those as clearly is that since the characteristics of those children, as I suggested, differ—I mean, many of them may be a different kind of educational population. I have a hunch that because they are now 10 years old or more at the very least, they have been in a different kind of educational program or perhaps no educational program, but it suggests you may be talking about a different kind of educational task.

PREVALENCE OF DEAF-BLIND POPULATION

Senator BROOKE. Is the number of deaf-blind children decreasing?

Dr. MARTIN. It is in terms of that particular cause. Rubella is not as much of a threat as it once was.

By the way, Senator, many parents are neglecting to have their youngsters immunized, and are neglecting to immunize them for measles and German measles—Rubella—even though these innoculations are available, which is a tragic mistake and you can see the consequence of that. But, the fact is there are a good many children immunized. Many of the deaf-blind children were handicapped because of Rubella, and that source is down, however, there are other sources of deafness and blindness. Some are deaf-blind because of genetics and some from topical infections like encephalitis and meningitis. So, that there will be an ongoing number, Senator, but we don't expect to see those large spurts of youngsters with this handicap, if we can get the rubella vaccine program fully effective.

DEAF-BLIND APPROPRIATIONS

Senator **Brooke**. As I look at your appropriation requests for deaf-blind centers, they seem to have peaks and valleys. You have $14 million in 1974 and then $12 million in 1975 and now $16 million. Now what is the reason for the unevenness of it?

And since it is such an important program, we all agree, shouldn't it be funded at a higher and rather steady level?

Dr. **Martin**. I would like to see it on an increasing level.

Now, in 1975, we really would have preferred not to have that $2 million cut, but we did hold level the number of children served and at the same time we increased the early childhood program by $2 million and began some severely handicapped activity under that.

But, we are much more happy with this increase and we had hoped originally, Senator, in the long-range, to reach the total population of children to be served with an estimate of about $20 million to $25 million in Federal funds and then we assumed there would be a phaseout on the Federal Government's part. A number of States are picking up these responsibilities. For example, Texas has intimated to us that at the end of the 3-year period, which is now in the first year, they will be able to pay the total costs for their units.

So, we would expect an on-going enrollment for this and an ongoing appropriation at that level, but we would think it would probably have to reach the $20 million to $25 million level before we are in full service.

Senator **Brooke**. When you decreased it $2 million from your 1974 level to your 1975 level, did that give some hardships to your centers?

For example, what effect or impact did it have on the Perkins School?

Dr. **Martin**. Well, obviously your $12 million is less than your $14 million. Of course, the budget process begins so many, many months in advance before it is actually appropriated, we understood this was the budget request level. So, we had the schools and the subprograms—you see, there are 10 regional centers and 300 subprograms—we have then planned expenses which would be one-shot expenses. For example, we had a variety of what we call one-time activities, but there were no children, in other words, who didn't get an educational program that year, who had had one the previous year. We did not reduce the number of children enrolled.

Senator **Brooke**. Nor the quality of education?

Dr. **Martin**. No; we held quite constant almost. There was a slight reduction in the average per-pupil cost, but our funds supported 2,800 students in each of those two years involved. In fact, we oversubscribed that slightly and that is because State and local funds continued to grow and took up a little of the slack.

Senator **Brooke**. So you are requesting $16 million for fiscal 1976 and you anticipate we can expect that this will increase to $25 million by what year?

Dr. **Martin**. Well, at one time, we hoped that it would be by the end of this decade that that would be the level we are at, but depending on, you know, the availability of dollars, we may make that a little sooner or, if it should flatten out, a little later.

Senator **Brooke**. And then you expect it to go down?

Dr. **Martin**. Well, there are two lines of interception that happen; one is the increase in the State and local funds and the other is an increase in our funds and the sooner that—

Senator **Brooke**. Will you have a decrease in the number of children?

Dr. **Martin**. Yes; but the children already born and identified will not go away. Some of them obviously will become older than 21 and will be no longer candidates for services. I don't think we will start seeing a dropoff until the 1980 period and at that time we will have different kinds of educational plans.

For example, we just finished a planning document called Nineteen Eighty Is Now, which I want for the committee's records to submit, and it is a document that talks about the need for vocational education training for deaf-blind youngsters as they move into their teens. We hope to rehabilitate as many as possible by giving them job opportunities. I thought I would put that into the committee's records.

Senator **Brooke**. That will be received for the committee files.

EARLY CHILDHOOD EDUCATION

Senator **Brooke**. I am glad to see you are asking for an increase in the early childhood program, but just so there is no misunderstanding, Doctor, does that, in any way, duplicate what is being done in the Headstart program for the handicapped?

Dr. **Martin**. No; it does not duplicate it. At its best, it will help make Headstart a lot more effective. There are two ways that happens: One is, we are able to provide a lot of assistance to Headstart from our model project. Last year, for instance, about 20,000 children were helped.

This year, about 20,000 children who are in Headstart projects were helped, to some degree, by consultations from the model project staff with the Headstart staff, advising them on how to serve handicapped children. As you may know, the new requirements for serving handicapped have put Headstart in the position where it has left many programs shy on how to do that, so they turned to us for assistance, and we have answered their need by asking our model projects to do that.

Some of them, for example, have signed contracts with Headstart on a statewide basis or, for example, a regional basis. For example, our model project in Chapel Hill, N.C., provides assistance to all the Headstart projects in the Southeast region of the country.

So that what we are doing here is trying to strengthen Headstart's resources by sharing our experience in this area with them and also by moving children into Headstart settings as they become ready for integrated settings.

A second way that we are going to be working with Headstart goes back to our earlier question about planning. We will be asking the State educational agency, as it develops its plans for all preschool handicapped children, to account for those children who are in Headstart and see them as part of the total plan. The school districts and the State school agencies don't usually run Headstart programs—although they do in some instances—but, as we look at the total number of children in the 3- to 5-year range in Massachusetts, for example, we will want to be aware of how many will be served in Headstart and how many in local school programs and how many in day care and how many will be served in private centers and so forth.

That is the kind of thinking we want the States to do.

GAO REPORT

Senator **Brooke**. Now, the subcommittee is very much concerned about the millions of dollars spent on evaluations. In many cases, these evaluations, it was found, served no purpose.

GAO tells us that you have no system at all for evaluating how well these programs are doing. GAO says that the States have been left to monitor them themselves with no guidance from HEW.

Don't you at least think you should be following up to see if and how these programs are working?

Dr. **Martin**. Well, Senator, that particular reading in the GAO report is not, you know, our perception of what the facts are.

Senator **Brooke**. You mean not what they are saying or what you are doing?

Dr. **Martin**. Well, both things. It is not what we are doing and it also, I think, is a failure in their report to make clear what they are talking about. The report covered three areas: vocational education for the handicapped, vocational rehabilitation for the handicapped and education for the handicapped.

And in some instances, it wasn't clear to us which program they were talking about. Now, we have, in fact, spent a tremendous amount of time in trying to help the States develop their evaluation capacity. I am going to ask Mr. Herman to talk with you just a minute, for example, about the series of training activities that we have been involved in that are a matter of record.

That is why I said I think that particular observation of GAO's was not clear and they were not talking about these particular programs.

Senator **Brooke**. Specifically, what did you say the Department is doing? It is conducting its own evaluation of the projects?

Dr. **Martin**. Yes; for example, we had a major contract with Exotech Co. which evaluated the effectiveness of the part B program, and it was completed in 1974. You see, we run a variety of training and technical assistance workshops with the States.

But, it is a massive problem. I won't deny that the GAO has some truth in what they are saying. You have 16,000 school districts and most of them have not developed sophisticated evaluation programs for local education programs, not just the handicapped, but basic educational programs, whether they are a program of secondary education or music education or whatever. And we can't make all of those school districts competent evaluators simply by my writing a letter to the chief of the State school office and saying to him, "We are not satisfied with your evaluation ability down there in Massachussets, or wherever it is, and you've got to shape it up."

They in turn would write such a letter to the principals of all the local schools and the superintendents and say the same thing. But, what we are saying to the GAO is that we are doing a number of things. We are evaluating programs on a sample basis and it has been helpful to us.

Second, we have had really a series of training exercises on evaluations, and contracts with others, to help train State personnel to evaluate better, but they have a massive job in taking the information provided them and applying it to the 16,000 districts.

And the second area of confusion, Senator, just to summarize that, is that there is some question in our minds, as reflected in our comment to the GAO, as to whether it is feasible for the Office of Education to really take the responsibility for evaluating each of those several thousand projects, or whether that is a State responsibility primarily.

And we've got to do our best to see that the State has effective policies with regard to evaluation. Now the projects we fund directly, the discretionary projects, have evaluation components written into them. Now, those we are better able to handle and we are very careful in the selection of those projects and the gathering of reports from them.

So, I think that that is a sort of a confusion there and in our comments to GAO we made that comment which isn't, in fact, reflected in that report.

GAO—EVALUATIONS

Senator **Brooke**. Well, GAO says that the State officials say that project evaluations often are not submitted to the Federal agencies and those which were, were not carefully studied, and that Federal agency officials told them that this occurred because of a lack of adequate staff to monitor the State programs.

It goes on to say that the Bureau of Education for the Handicapped has less than one specialist per HEW region for administering such programs.

It further says that one local project director told them that no comments have ever been received from Bureau officials or any evaluations prepared of the project.

Dr. **Martin**. OK, all of those things I think are accurate statements. Let us see what they mean.

The first is that there are several thousand projects available. And as you can see, and as I mentioned earlier in the testimony, we are adding staff to bring us up to one per Federal region. They will have, however, a finite capacity. Each one could hardly be able to evaluate 200 projects.

What we are saying is that what needs to be developed is an evaluation system within the States, which is operated by the States as part of their fundamental responsibility for the schools. We are attempting to help them do that.

But, I don't think we can put the Federal Government fully into the position of evaluating each of those projects. There is a role for us, though, and the role for us is to work with the States to develop their capacity to evaluate.

I am just thinking about the logistics of it. How would you begin to try to develop a capacity to evaluate 16,000 school districts? It is a skill that doesn't exist and the manpower——

Senator **Brooke**. I can't see why you just can't write a letter, as you said, and require them to conduct evaluations. I should think you would get some results from that.

Dr. Martin. We have done that, Senator.

Senator Brooke. You have? I thought you said you didn't.

Dr. Martin. No; there is a requirement and we did do that and we tried to implement it, but our simply saying to do it, doesn't make it happen. That is what I am saying.

Senator Brooke. No; I understand that, but I think it ought to be said.

Dr. Martin. Yes; I agree with you and we have said it and we will increase our saying of it.

Senator Brooke. The regional offices ought to be able to do something.

Dr. Martin. The question of sampling came up in that particular observation, Senator. And when we did the Exotech study, it studied more than 40 States and it picked projects in those States and those became the basis of evaluation, but naturally, it didn't pick every project in the State.

So, a local official about one project could, honestly, say that to GAO, namely, that nobody ever asked me about my project and nobody ever commented about it, and that would be true, because the evaluation is based upon a sample of the projects and not on all of the projects. Perhaps his was not one that was selected in our evaluation efforts.

PROJECT MONITORING

Senator Brooke. I don't want to belabor this, but obviously, as I said in introducing the subject, many of the Members of Congress feel that millions of dollars have been spent in evaluations which have not been valuable. On the other hand, I can't see how you can intelligently propose a budget request or know how your programs are working unless you have some evaluation of the programs.

Dr. Martin. I think your point is well made, Senator.

Senator Brooke. I don't know how you could know what they are doing out in the field. You wouldn't know whether you were to put your money into another program, which was working and take it from a program which wasn't working, or how much you could strengthen the program substantively.

I would expect the only way to know whether you can do this is to have an evaluation program that works.

Dr. Bell. I would like to say, Senator Brooke, that this whole matter of evaluation, of monitoring on the part of the U.S. Office of Education, is getting a lot of attention right now because of GAO audits. It is just very common. So, you wouldn't be surprised to hear from me, as the head of the OE bureaucracy, say that we don't have enough staff now.

Our office has about 3,000 staff members and we must, out of those 3,000 people, staff 10 regional offices plus headquarters and there are several State educational agencies with more staff members than we have in OE. We make, Senator, you see, some 18,000 grants a year. Now, just apply the arithmetic to that in monitoring it and following up on the ongoing work we ought to do with the States and locals, and just apply a pencil to that in figuring the number of staff days that are to be dedicated to it, and you see what I am talking about.

It is not going to be possible to do the kind of monitoring, the kind of evaluating, the kind of intensive follow-up that I think GAO properly implies in their report ought to be made. It is just not possible with the size staff that we have in the U.S. Office of Education.

And given the size of the United States and given the fact that we have over 120 programs in OE at the present time, you can see it is not possible.

Now, as I said it is typical to hear bureaucracies constantly plead for more staff, so I am sure that isn't anything new. I would say that when the new Education Amendments of 1974 were passed, Public Law 93-380, we—and I was just new there—we were sizing up the workload increase and at the same time that these were passed, my predecessor proposed to Congress that, if we accomplished this grant consolidation, we could eliminate 200 staff members.

Well, we didn't accomplish the grant consolidation, but we eliminated the 200 staff members. After that, we laid on the extra workload, the additional responsibility in the Office of Education. So, this really needs attention, both in the executive branch and in Congress. This really is an extensive area. How much do we monitor and direct and evaluate?

How much do we have less intensive care for the detailed operation in the Office of Education? And these questions have to be looked into.

I am sure we don't have the time here to go into it, but I would just like to say for the record that we don't have the staff to do what the General Accounting Office feels that we ought to do, based on the report I have read from them.

MANPOWER LIMITATION

Dr. **Martin**. And they do admit that, Senator. I don't like to appear defensive in relation to this report, although I guess it is impossible not to be on the defensive in relation to a GAO report, but I do think there has to be a decision made as to whether Federal agencies such as ours will be directly responsible for all of those sub-State grants, or whether we will be required to help in developing an evaluation program.

Right now, with our manpower, we are trying to develop a State evaluation system.

The report I mentioned to you had a much broader look at our programs, 40 States versus 5 and, although it may not have reached the level where the GAO thought it was sufficient, but from our point of view there was an element of unreality to what the GAO was saying in their report, not that it wouldn't be ideal. It certainly, however, didn't reflect this very positive report on a much broader sample basis.

Senator **Brooke**. I was just concerned about the GAO's statement to the effect that you didn't have an evaluation procedure for the programs.

Dr. **Martin**. And maybe we should have.

Senator **Brooke**. In regards to the handicapped, anyway. I was very much concerned about that.

I certainly understand, Commissioner Bell, your staff limitations. We in the Appropriations Committee are probably more aware of that than anywhere else.

Dr. **Bell**. I wish I could elaborate on that statement.

Senator **Brooke**. So, when you consider the budgets and the appropriations that we have to work with and the limited number of members of this staff, you can see we have a similar problem. It is amazing to me, and I am sure to my colleagues, how we can even begin to cope with a budget of this size with all the departments, and agencies, and programs that have to be funded.

I understand your staff limitations and what is asked of you by GAO; and that at the same time they say you ought to be doing these things, they are probably also recommending that you cut back in personnel.

Dr. Martin. No; in this case, I would say that the GAO report had a number of useful points in it, which they tried to make: (1) That there are a lot of kids not getting served, and (2) a lot of need to improve services and strengthen them, and (3) that the quality of the services ought to be carefully monitored.

Senator **Brooke**. I think they called it as they saw it; I agree with you that they do a good job. I have great respect for GAO. But, I just hope, to the degree that you can with the limited staff that you have, that you recognize the need for evaluations.

Dr. **Martin**. They, in fact, mentioned there was insufficient staff to do that job.

Dr. **Bell**. The other question, Senator, is are we using the staff we have to the maximum efficiency.

Senator **Brooke**. Quite right.

Dr. **Bell**. And we are striving to do that. I don't think I can say unequivocally that we are doing that as well as we can. We need to hustle on that.

TEACHER TRAINING

Senator **Brooke**. Even with our limited staff, I am always trying to determine whether I am using them as effectively and as efficiently as possible, and using my own time as effectively and efficiently as possible.

Dr. Martin, how much would it cost to train an unemployed teacher—and there are unemployed teachers, unfortunately—to teach the handicapped?

Dr. **Martin**. Well, it is costing us on the average of about $1,500 to train persons who are taking part in our training program, to do this. Now, that is not an exact answer to your question, because a good deal depends, Senator, on where that teacher is and what the requirements of the States are. Some States require a complete master's degree.

So, the answer to that might then be 30 hours of course work at a university. Others would say 9 or 12 semester hours is sufficient, so it varies from State to State.

But, we are spending about two-thirds of the money available to us on developing capacity to train many teachers who were not specialists and who have bachelor's degrees in regular education, but who want to specialize in handicapped education and have inservice training. This year, there will be about 30,000 teachers in all that will participate in the Federal program.

Senator **Brooke**. The data indicates 80 percent of teacher vacancies are special education vacancies.

Dr. **Martin**. That was mentioned just the other day, and that is a report that has influenced us to increase this budget request over what it was last year. In general HEW hasn't been asking for the manpower and training programs, but we did recognize this as a priority area and the special education training budget is now at the highest point in history.

Senator **Brooke**. Now, I note that you are asking for $39.7 million for manpower, I believe. There are reports to the effect that there is a need for 250,000 to 300,000 teachers in the handicapped area. Would $39.7 million be adequate to deal with this need?

If not, how much can you usefully use in fiscal year 1976?

Dr. **Martin**. Well, I don't think you can get the job done in a given year. We have projected a need for 20,000 or more graduates a year as a reasonable number, Senator, of teachers entering the work force that were not presently there. And in this particular budget, we hope to train 30,000 people, but not all of them, however, will be graduating simultaneously.

The 21,000 perhaps are already classroom teachers, who will be getting some special education assistance, and about 9,000 represent preservice training. So, our feeling is that with attrition and so forth, we are making progress.

There is also a variable that helps us feel we are doing better in this job, and that is that a lot of our support goes to help institutions with their staff and so may add, for example, a faculty member to begin a program for the multiple handicapped or a learning disability program. And when the university uses money in that way, Senator, then hundreds of youngsters may benefit from that and not just the ones that are directly receiving Federal funds.

So, I don't have an estimate of how we would get from 30,000 to 250,000 and I don't believe a separate extrapolation would do it, Senator, because there is a finite capacity that universities and faculties have. I would think we think probably we could see this program move up to an increase of about $10 million or so; however, at the same time there are forces which may help to reduce the requirement for Federal funds.

For example, in the situation that is reflected in the report that you just cited, you see an economic force. There are jobs unfilled and that is an attraction to move into these areas. Also, many colleges of education recognize that they don't need to be training as many regular classroom teachers, so they have begun to regear to some extent to support more special education training.

So, it is a little hard for us to predict this. What we feel we are doing this year is providing more training support than we ever had and training more teachers than we ever had, and we think it is a very defensible position to be in.

CAREER EDUCATION

Senator **Brooke**. Dr. Martin, it seems to me that one of the most important things that you can do is prepare a handicapped child for a career, for career education, so that he will be prepared for the work of the world in which he is going to live.

I think by your own estimate, 37 percent of the children leaving school in the next few years will be unemployed or on welfare. Why don't you focus, or have you focused, on career education for the handicapped child? What are you doing in an effort to assure that child that he or she will be able to be gainfully employed upon leaving school?

Dr. **Martin**. First of all, we couldn't agree with you more on that. We have, for more than 3 years now, identified vocational education and career education programs for handicapped youngsters as one of the four major Bureau priorities.

That has been reflected in a variety of ways. The basic mechanism the Federal Government has is actually the 10-percent set-aside under the Vocational Educational Act. This amounts to approximately $35 million to $40 million in support to the States for the provision of services.

In addition to that, we have in this budget, for example, recommended $2 million in funding for regional educational programs, and that would provide vocational and technical education for young adult handicapped persons. One of the projects, for example, we are funding this year is the St. Paul Technical Vocational Institute. It has over the past several years trained 240 young adult deaf persons and 95 percent of them are employed.

So, we know that given the right kind of training, many handicapped people will find employment. Our regional education program will help stimulate the development of more education placements for handicapped people in vocational centers, in the technical schools, and so forth.

Senator **Brooke**. So, you are stressing career education even at the elementary level, then?

Dr. **Martin**. We are funding some projects in that area in career education. Part of the funds that are being requested, Senator, will include several projects designed to serve handicapped children.

In our research program, we have for some time been supporting demonstrations of vocational education for handicapped people, and we recently had a conference at Princeton to which we invited about 100 people across the country, to identify the major priority areas of career education model programs for handicapped children. We provided training and funds for this.

One of the priorities this year for universities in seeking support was to increase the number of trained people to work with vocational education for handicapped people.

So, throughout the budget you will find that wherever a program has a capacity for including vocational education and career education emphasis, we have made that a priority in the funding of the projects.

Senator **Brooke**. All right. Thank you, Dr. Martin.

Commissioner Bell, would you first introduce those who were at the table with you for this particular presentation before you leave?

Dr. **Bell**. At my extreme right is Dr. Herman Saettler, who heads our training programs; next to him is Dr. Paul Ackerman, our program development branch member; this is Mr. Robert Herman, who heads up our planning and budgeting staff; and to the left is Dr. Max Mueller, who heads up our research projects branch; and finally, is Mr. William Dingledein, who is an associate of Charlie Miller.

JUSTIFICATIONS

Senator **Brooke**. Well, thank you very much. Your justifications will be inserted in the record at this point.

[The justifications follow:]

Justification

Appropriation Estimate

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, [$299,609,000] *$175,000,000: Provided*, That of this amount [$100,000,000] *$50,000,000* for part B shall become available July 1, [1975] *1976*, and shall remain available through [June] *September* 30, [1976] *1977*. [*Provided further*, That of the sums appropriated herein, not to exceed $575,000 shall be available to carry out section 625 of the Education of the Handicapped Act.]1/

Note: Additional authorizing legislation to be proposed for $500,000 for fiscal year 1976.

For "Education for the handicapped" for the period July 1, 1976, through September 30, 1976, $13,100,000.

Explanation of Language Changes

1. The proviso making sums available to carry out section 625 of the Education of the Handicapped Act is not necessary, since sums are specifically requested in this budget for that purpose.

Amounts Available for Obligation

	1975 Revised	1976 Revised	1976 Advance for 1977
Appropriation	$199,609,000	$225,000,000	$50,000,000
Proposed rescissions.............	-52,500,000	-50,000,000	---
Total, obligations..........	147,109,000	175,000,000	50,000,000

Summary of Changes

1975 Estimated obligations..	$199,609,000
Less: Proposed rescission..	-52,500,000
Subtotal, 1975 Revised obligations....................	147,109,000
1976 Estimated obligations..	225,000,000
Less: Proposed rescission..	-50,000,000
Subtotal, 1976 Revised obligations....................	175,000,000
Net change...	+27,891,000
1976 Advance for 1977..	50,000,000*

	1975 Base	Change from Base	1976 Base*	Change from Base*
Increases:				
A. Program:				
1. State grant program...	$47,500,000	$+2,500,000	$50,000,000	---
2. Deaf-blind centers....	12,000,000	+4,000,000		
3. Severely handicapped projects............	2,826,000	+424,000		
4. Early childhood education..............	13,330,000	+8,670,000		
5. Specific learning disabilities.........	3,250,000	+1,000,000		
6. Regional vocational, adult, and postsecondary programs.....	575,000	+1,425,000		
7. Research and demonstration............	9,341,000	+1,659,000		
8. Media services and captioned films.....	13,000,000	+3,000,000		
9. Regional resource centers.............	7,087,000	+2,663,000		
10. Recruitment and information.............	500,000	+500,000		
11. Special education manpower development...	37,700,000	+2,050,000		
Total, increases......	---	+27,891,000	---	---
Total, net change..............	---	+27,891,000	---	---

* Refers only to the State grant program, for which advance funding is requested.

Explanation of Changes

Increase

A. Program:

1. State grant program--The increase in fiscal year 1976 for school year 1975-1976 will cover the increased minimum State allotments as specified in the Education Amendments of 1974, and will otherwise provide a very slight increase in the total allocated to the States.

2. Deaf-blind centers--The increase of $4,000,000 will provide for the provision of full-time educational services to an additional 800 deaf-blind children ($+3,300,000), and will cover the cost of related supportive services in the regional centers ($+700,000).

3. Severely handicapped projects--The increase of $424,000 will provide for 5 additional projects.

4. Early childhood education--The increase of $8,670,000 will provide for an increase of 27 first year projects, from 25 in 1975 to 52 in 1976 ($+1,932,000), an increase in the cost of continuing demonstration projects for the second and third years ($+3,935,000), funding of 10 new validation projects ($+1,000,000), an increase in the cost and number of outreach projects ($+1,238,000), increased technical assistance ($+265,000), and funding of 20 new grants to State education agencies for support of early childhood coordinators ($+300,000).

5. Specific learning disabilities--The increase of $1,000,000 will provide for 2 new demonstration projects, 1 outside evaluation, and 1 technical assistance project.

6. Regional vocational, adult, and postsecondary programs--The increase of $1,425,000 will provide for 6 new projects in the areas of postsecondary and adult education.

7. Research and demonstration--The increase of $1,659,000 will provide for the expansion of the program through the funding of 10 additional projects.

8. Media services and captioned films--The increase of $3,000,000 will provide for a new marketing and implementation strategy in order to ensure the efficient and effective application of media products by handicapped people; an increase in the number and distribution of captioned films; and an increase in the scope of work of the Area Learning Resource Centers.

9. Regional resource centers--The increase of $2,663,000 will expand the identification, diagnostic, prescriptive, and evaluative, and placement services of the centers for handicapped children.

10. Recruitment and information--The increase of $500,000 will provide for 8 new grants to organize local units in order that they may help parents of handicapped children locate and use special educational services, and 2 new grants to survey recruitment and informational needs, provide technical assistance to the local informational units, and target information on minority populations.

11. Special education manpower development--The increase of $2,050,000 will expand this program with an additional 34 grants which will target on teacher training in the priority areas of early childhood education, education of the severely handicapped, and filling personnel gaps in isolated areas.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Revised[1]	Increase or Decrease
State assistance:				
(a) State grant program..........	$100,000,000	$ 47,500,000	$ 50,000,000	$+ 2,500,000
(1976 Advance for 1977)			(50,000,000)	(---)
(b) Deaf-blind centers..........	12,000,000	12,000,000	16,000,000	+ 4,000,000
(c) Severely handicapped projects..	2,826,000	2,826,000	3,250,000	+ 424,000
Innovation and development:				
(a) Early childhood education........	13,330,000	13,330,000	22,000,000	+ 8,670,000
(b) Specific learning disabilities.....	3,250,000	3,250,000	4,250,000	+ 1,000,000
(c) Regional vocational, adult, and post-secondary programs	575,000	575,000	2,000,000	+ 1,425,000
(d) Research and demonstration.........	9,341,000	9,341,000	11,000,000	+ 1,659,000
Media and resource services:				
(a) Media services and captioned films............	13,000,000	13,000,000	16,000,000	+ 3,000,000
(b) Regional resource centers..........	7,087,000	7,087,000	9,750,000	+ 2,663,000
(c) Recruitment and information......	500,000	500,000	1,000,000	+ 500,000
Special education manpower development...	37,700,000	37,700,000	39,750,000	+ 2,050,000
Total obligations	$199,609,000	$147,109,000	$175,000,000	$+27,891,000
(1976 Advance for 1977)			(50,000,000)	(---)

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[1] Reflects requested rescission of $50,000,000 from the 1975 advance appropriation for 1976 of $100,000,000 in the State grant program.

Obligations by Object

	1975 Estimate	1975 Revised	1976 Revised	Increase or Decrease
Travel and transportation of persons	20,000	20,000	23,000	+3,000
Transportation of things	1,000	1,000	1,000	---
Rent, communications, and utilities	5,000	5,000	6,000	+1,000
Printing and reproduction	7,000	7,000	10,000	+3,000
Other services:				
Project contracts	32,909,000	32,909,000	42,971,000	+10,062,000
Supplies and materials	4,000	4,000	5,000	+1,000
Equipment	12,000	12,000	14,000	+2,000
Grants, subsidies, and contributions	166,651,00	114,151,000	131,970,000 1/	+17,819,000
(1976 Advance for 1977)			(50,000,000)	(---)
Total obligations by object	199,609,000	147,109,000	175,000,000	+27,891,000
(1976 Advance for 1977)			(50,000,000)	(---)

1/ Reflects requested rescission of $50,000,000 from the 1975 advance appropriation for 1976 of $100,000,000 in the State grant program.

Authorizing Legislation

Legislation	1976		1976 Advance for 1977	
	Authorized	Appropriation Requested	Authorized	Appropriation Requested
Education of the Handicapped Act:				
Part B--Section 611, Grants to States......	$100,000,000	$50,000,000	$110,000,000	$50,000,000
Part C--Section 621, Regional resource centers...............	18,000,000	9,750,000		
Severely handicapped projects..............	1/	3,250,000		
--Section 622, Deaf-blind centers.........	20,000,000	16,000,000		
--Section 623, Early childhood projects....	36,000,000	22,000,000		
--Section 625, Regional vocational, adult, and postsecondary programs..........	2/	2,000,000		
Part D--Sections 631, 632, and 634, Special education manpower development...........	52,000,000	39,750,000		
--Section 633, Recruitment and information................	500,000	1,000,000 3/		
Part E--Research and demonstration.........	20,000,000	11,000,000		
Part F--Media services and captioned films...	22,000,000	16,000,000		
Part G--Specific learning disabilities.	20,000,000	4,250,000		

1/ Funds for Severely Handicapped Projects are requested under Part C, section 621; however, the authority used to operate these projects is derived from section 624 of the same part. Funding for section 624 projects may originate in any section of Part C which has specific authorizations.

2/ Such sums as may be necessary.

3/ Additional authorizing legislation to be proposed for $500,000 for fiscal year 1976.

Education for the Handicapped

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	28,300,000	28,300,000	28,300,000	28,300,000
1967	37,900,000	37,875,000	37,875,000	37,875,000
1968	53,400,000	53,400,000	58,400,000	52,650,000
1969	84,650,000	78,850,000	78,850,000	78,850,000
1970	85,850,000	100,000,000	105,000,000	84,575,000
1971	94,450,000	104,400,000	104,400,000	104,400,000
1972	104,250,000	109,250,000	110,750,000	110,000,000
1973	131,019,000	157,319,000	180,569,000	157,319,000
1974	131,109,000	143,609,000	159,069,000	147,079,000
1975	147,109,000	184,609,000	224,609,000	199,609,000
1975 Rescission	-52,500,000			
1975 Advance for 1976	50,000,000	100,000,000	100,000,000	100,000,000
1976	125,000,000			
1976 Rescission	-50,000,000			
1976 Advance for 1977	50,000,000			

Justification

Education for the Handicapped

	1975 Estimate	1975 Revised	1976 Revised	Increase or Decrease
State assistance:				
(a) State grant program.........	$100,000,000	$ 47,500,000	$ 50,000,000[1/]	$+ 2,500,000
(1976 Advance for 1977).......			(50,000,000)	(---)
(b) Deaf-blind centers.........	12,000,000	12,000,000	16,000,000	+ 4,000,000
(c) Severely handicapped projects.	2,826,000	2,826,000	3,250,000	+ 424,000
Innovation and development:				
(a) Early childhood education.......	13,330,000	13,330,000	22,000,000	+ 8,670,000
(b) Specific learning disabilities....	3,250,000	3,250,000	4,250,000	+ 1,000,000
(c) Regional vocational, adult, and postsecondary programs....	575,000	575,000	2,000,000	+ 1,425,000
(d) Research and demonstration...	9,341,000	9,341,000	11,000,000	+ 1,659,000
Media and resource services:				
(a) Media services and captioned films...........	13,000,000	13,000,000	16,000,000	+ 3,000,000
(b) Regional resource centers.........	7,087,000	7,087,000	9,750,000	+ 2,663,000
(c) Recruitment and information.....	500,000	500,000	1,000,000	+ 500,000
Special education manpower development	37,700,000	37,700,000	39,750,000	+ 2,050,000
TOTAL	199,609,000	147,109,000	175,000,000	+27,891,000
(1976 Advance for 1977)...			(50,000,000)	

[1/] Reflects requested rescission of $50,000,000 from an appropriation of $100,000,000.

General Statement

The commitment undertaken by the Federal government for education of the handicapped is not intended to provide complete per-child costs of educational support. Instead, the programs administered under this appropriation have been designed to act primarily as catalysts to bring about changes in educational patterns in the field by initiating demonstration and model programs and by encouraging innovative techniques and practices. These strategies were developed specifically to use the limited Federal financial resources and manpower to effect significant changes in the quality and effectiveness of much larger and more direct programs being conducted by State and local educational agencies.

To expand this type of capacity-building strategy and stimulate a cooperative Federal-State effort, this appropriation request includes increases in each of the discretionary programs, and requests an amount of $50,000,000 for the State grant program in order to maintain the level of Federal support for direct educational services to the handicapped. The earlier request for rescission of funds appropriated for the State grant program assumes the same philosophy, i.e., that the support of direct educational services to the handicapped is a State and local responsibility. This budget is presented based on comparisons of our new request with amounts revised to reflect our requested rescissions of $52,500,000 in 1975 and $50,000,000 in 1976 in the State grant program.

Federal education programs for the handicapped have been designed to bring the State and local governments closer to the achievement of the goal that every handicapped child be assured of an appropriate education through competent personnel. The areas of highest need at the present time are in encouraging career educational training for the handicapped that is both relevant to the job market and to their and to their career aspirations; in increasing the availability and quality of early childhood education; and in developing and disseminating educational programming opportunities for the severely handicapped to enable them to become as independent as possible, thereby reducing their requirements for institutional care.

Manpower needs

Programs in over 300 training institutions have been developed and are producing quality teachers for the handicapped. Fifty State education agencies and four education agencies of the outlying territories are working in partnership with the Federal government to upgrade the competency of people already in the field. The emphasis is upon continuing to strengthen and reform programs, and training people who are not directly supported by Federal funds; and more importantly, preparing leadership personnel who in turn will begin new training programs.

At the present time the demand for additional special educators is just being met, with the help of Federal funds; however, teachers in existing special education programs, and in regular school programs that integrate the handicapped, too often are untrained in the special skills they need to do an effective job. New programs for preschool children and children with multiple handicaps also lack trained manpower.

Research, innovation, and demonstration programs

In research, support is needed to continue current research and demonstration projects, to expand projects in curriculum research, and to solicit projects dealing with the most critical issues in the areas of early childhood education, career education, personnel development, and education of the severely handicapped. In the area of projects for the severely handicapped, regional centers for the deaf-blind are in operation, and a significant new Federal initiative will help establish a National priority for other severely handicapped children. Demonstration projects seen under this program will aid in bringing services to the unserved child and developing models for deinstitutionalizing many of the severely handicapped.

As a result of this Federal concern we expect to see increased access to, participation in, and expansion of specialized programs for severely handicapped children at the State and local levels.

Model demonstration centers and leadership training institutes will provide and demonstrate model service, train personnel, and develop research responses for dealing with the problems of specific learning disabilities. The increased funding of early childhood education projects recognizes the continuing and growing demands for special emphasis to demonstrate diagnostic services and educational assistance for handicapped children of pre-school age. Research evidence has shown that early educational intervention results not only in more lasting benefits, but also relieving the tendency of a handicap to become an educational disability. Priority plans in early childhood education will be developed on an individual State basis, and projects will be funded according to State needs.

Career educational needs of the handicapped are addressed in various components of a number of programs, and are highlighted in the postsecondary adult and vocational programs serving multi-State areas. These projects demonstrate the modification of existing facilities and programs for the non-handicapped, so that the handicapped person can participate.

Media and resource services

An area of continuing effort is that of adaptation of instructional materials developed for the deaf for use by children with other handicaps, and the development of new and appropriate equipment to educate and offer cultural contact to persons in all handicapped areas. The National Center on Educational Media and Materials for the Handicapped will adapt, develop, and disseminate appropriate materials and devices. A new marketing and implementation strategy will be developed for successful curricula, film, television, and other educational technology products and aids. The Regional Resource Centers are coordinated with the Area Learning Resource Centers to develop a learning resource system that will be a facilitating component for the States delivery of special education services to handicapped children. One significant new effort will be the promotion of the development of direction centers which will assist parents and professionals alike in identification, screening, evaluation, and prescription of appropriate educational programs for handicapped children.

In addition, funds are required for dissemination of information to parents about available resources for the handicapped. This information would help parents of handicapped children contact service resources of all dimensions.

Technical assistance

To enhance State capacity-building activities, an active technical assistance program is maintained. Also, extensive monitoring of State programs receiving Federal funds is required by law to insure compliance with all laws relating to the civil rights of handicapped children. The combination of technical assistance and monitoring activities will help assure that all States implement plans for promoting full educational opportunity for all handicapped children, regardless of the severity of their handicap.

	1975 Estimate	1975 Revised	1976 Estimate	1976 Revised
1. State assistance:				
(a) State grant program	$100,000,000	$47,500,000	$100,000,000	$50,000,000
(1977 Advance funding)..............			(50,000,000)	

Narrative

Program purpose

In order to assist in the initiation, expansion and improvement of programs and projects for the handicapped at the preschool, elementary, and secondary levels, this program, authorized by Part B of the Education of the Handicapped Act, provides non-matching grants to the States and outlying areas. These grants are meant to serve as a catalyst to promote increased programming for children on a comprehensive basis involving various Federal programs and local resources, in order to provide full educational opportunities to all handicapped children.

In fiscal year 1975 only, funds are allocated to the States on the basis of the number of children in each State aged 3-21, multiplied by $8.75, ratably reduced. This distribution is different from that applied to 1974 funds, yet provision is made so that no State will receive less than its 1974 allocation. In fiscal year 1976 and 1977 funds will be allocated and distributed to the States in proportion to their age 3-21 population, with a minimum $300,000 grant, an increase over the minimum of $200,000 allowed in 1974 and previous years.

Since this program became advance-funded as a result of the 1975 appropriation, which provided funds for both fiscal year 1975 and 1976, the amount now requested will fund fiscal year 1977, covering school year 1976-1977.

This budget reflects acceptance of a requested rescission of funds appropriated for 1975 and for the 1975 advance appropriation for 1976. The amount of the rescissions are $-52,500,000 in 1975 and $-50,000,000 in 1976.

Plans for fiscal years 1976 and 1977 (School years 1975-1976 and 1976-1977)

Funds requested to cover school year 1976-1977 will directly serve 250,000 handicapped children in 2,200 projects. This will maintain program operations at the fiscal year 1976 level. Previously undertaken needs assessment activities will permit the narrowing of Federal objectives for this program, beginning in school year 1975-1976, to concentrate on serving the more severely handicapped child, the need to serve the more isolated child, and the need to expand and improve early childhood education. This narrowing of goals will add to the States' ability to assure all handicapped children full educational opportunity.

The Education Amendments of 1974 have increased the requirements on State education agencies in their plans for serving handicapped children. Beginning with fiscal year 1976, any State, in order to receive funds under this program, must establish the goal of providing full educational opportunities to all handicapped children and provide for a procedure establishing a goal, timetable, and description of facilities, personnel, and services necessary to assure that State grant funds be expended to accomplish this goal, with priority given to handicapped children not receiving an education. In addition, each State must provide procedures 1) to insure that handicapped children and their parents be guaranteed procedural safeguards in decisions regarding identification, evaluation, and placement; 2) to insure "least restrictive placement"; and 3) to insure that the processes used for classification and placement be racially and culturally nondiscriminatory.

Implementation of these State plans will require increased Federal technical assistance, more precise planning at the State level, and greater coordination of Federal, State and local funds.

Accomplishments for fiscal years 1974 and 1975 (school years 1973-1974 and 1974-1975)

In school year 1973-1974, the State grant program directly served 225,000 children. The program also strengthened the linkages of the discretionary programs authorized by the Education of the Handicapped Act to the formula grant program, and increased State and local services for the education of the handicapped by focusing on the objectives of 1) providing quality services to the minority handicapped child 2) bringing full service to rural and inner city populations 3) solving inter- or intra-State problems that inhibit service delivery, and 4) supporting reentry of handicapped children into the regular classroom.

In school year 1974-1975, 250,000 children were served directly in nearly 2,000 projects. In addition, the program conducted a needs assessment to determine which States were in greatest need and to identify the subjects of greatest concern.

SUPPLEMENTARY FACT SHEET

State Grant Program

Seven million children (one million of preschool age) are handicapped by mental retardation, speech problems, emotional disorders, deafness, blindness, crippling conditions, or other health impairments that will cause school failure, emotional problems and retarded development unless special education procedures are available to them. At present, about 50 percent of school aged handicapped children are receiving special education, and in some States less than 25 percent of such children are receiving this help. Approximately one million of the unserved are totally excluded from any educational programming. Hundreds of thousands of handicapped children are misplaced or mislabeled.

INCREASE IN NUMBERS OF CHILDREN
RECEIVING SERVICE AS REPORTED BY
STATE EDUCATION AGENCIES
1971-1974

School Year	Number Served[1/]	Increase Over Previous Year	Percent Increase
1971	2,643,000	196,000	+8%
1972	2,858,000	215,000	+8%
1973	3,160,000	302,000	+11%
1974	3,510,000	350,000	+11%
1975(est.)	3,910,000	400,000	+11%
1976(est.)	4,340,000	430,000	+11%

1/ As a result of all sources of support; i.e., Federal, State and local.

DIRECT IMPACT

Fiscal Year 1973 - $37,500,000
- School Year 1972-73: 177,000 children

Fiscal Year 1974 - $47,500,000
School Year 1973-74: 225,000 children

Fiscal Year 1975 - $47,500,000
School Year 1974-75: 250,000 children

Fiscal Year 1976 - $50,000,000
School Year 1975-76: 250,000 children

Fiscal Year 1977 - $50,000,000
School Year 1976-77: 250,000 children

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
1. State assistance:				
(b) Deaf-blind centers.....	$12,000,000	$12,000,000	$16,000,000	$+4,000,000
New awards.............	$12,000,000	$12,000,000	$16,000,000	$+4,000,000
Number..............	10	10	10	---

Narrative

Program purpose

In order to provide appropriate educational and diagnostic services for the estimated 5,000-7,000 deaf-blind children, this program, authorized under the Education of the Handicapped Act, Part C, section 622, awards contracts to centers funded for this purpose. The centers also provide whatever ancillary services necessary to assure that deaf-blind children can achieve their full potential useful and meaningful participation in society.

This forward funded program awards contracts to regional centers, which themselves are authorized to sub-contract with State education agencies, State Departments of Mental Health and Welfare, and private agencies for the provision of direct services. The regional centers monitor subcontracts and provide technical assistance, coordination, casefinding and screening.

Plans for fiscal year 1976

In order to provide comprehensive educational services to the 5,000 to 7,000 deaf-blind children, the increased budget for fiscal year 1976 will be targeted on reaching as many children as possible with full-time educational services. Short-term, part-time and other services such as teacher training, parent counseling, diagnosis, and evaluation will be kept level.

In addition to the direct services provided to deaf-blind children and their parents (see tabular material covering fiscal years 1974 through 1976), support services will be continued by the Centers to each of the estimated 300-325 deaf-blind projects funded under this program in 1976. These support activities include technical assistance in the planning, development, and implementation of services; and the development of new service delivery systems on a State and regional basis.

The program will also (1) continue to maintain the Joint National Registry of Deaf-Blind children in cooperation with the National Center for Deaf-Blind Youth and Adults, and (2) distribute a home correspondence course to an additional 1,000 families.

Accomplishments for fiscal years 1974 and 1975

In order to move toward provision of full educational services for deaf-blind children, 400 children were phased out of part-time services in school year 1973-74, into full-time services in school year 1974-75.

In addition to provision of direct full-time and part-time educational services, diagnostic and evaluation services; in-service training for teachers, aides, and other professionals; and support services, the following activities were supported:

1. The Joint National Registry of Deaf-Blind Children was adopted in coopera-

tion with the National Center for Deaf-Blind Youths and Adults.

2. Technical Assistance was provided by the Centers to States for the development of State plans for individual child services. Activity was concentrated on 25 States having over 90% of the deaf-blind population.

3. Vocational Education Needs: In selected regions, the program funded the identification, planning and implementation of pilot projects for deaf-blind children.

4. A national program of temporary assistance was conducted for parents of unserved children through a home correspondence information and assistance program. Home correspondence is followed by visits of staff from the appropriate regional center.

5. A national conference entitled "1980 is Now" on the future needs of the deaf-blind was held in court with other Federal agencies, States and private groups seeking to find alternative ways of serving children and preparing them for adult life.

SUPPLEMENTARY FACT SHEET

Deaf - Blind Centers

Program Year	Fiscal Year 1974 1974-75	Fiscal Year 1975 1975-76	Fiscal Year 1976 1976-77
Appropriation	$14,055,000	$12,000,000	$16,000,000
Centers Funded	10	9	9
-Total funds	$14,055,000	$12,000,000	$16,000,000
-Number of subcontracts	250	250	300-325
Full-time educational services provided:			
-Total funds	$11,400,000	$10,525,000	$13,825,000
-Average/pupil cost	$4,071	$3,759	$3,840
-Number of pupils	2800	2800	3600 est.
Part-time educational services provided:			
-Total funds	$ 600,000	$ 300,000	$ 300,000
-Average/pupil cost	$2,000	$1,000	$1,000
-Number of pupils	300	300	300
Diagnosis and evaluation services provided:			
-Total funds	$ 220,575	$ 75,000	$ 75,000
-Number of children	700 est.	700 est.	700 est.
Parents counseled:			
-Total funds	$ 233,000 1/	$ 100,000 1/	$ 100,000 1/
-Number of parents	3000 est.	3000 est.	3000 est.
In-Service training provided personnel and parents:			
-Total funds	$ 134,380 3/	$ 100,000 3/	$ 100,000 3/
-Number trained	3000 est.	3000 est.	3000 est.
Regional Center Costs for Supportive Services:	$ 1,834,425	$ 1,100,000	$ 1,800,000

1/ Total funds included under full-time educational services.

2/ Actual cost of full-time services is the total of part-time plus full-time. Part-time educational services are available as a result of the allocation of time by full-time staff.

3/ Costs for In-Service Training included in Regional Center Costs for Supportive Services.

SUPPLEMENTARY FACT SHEET

Deaf-Blind Centers

Description of Services

Full-time - school year program

Part-time - summer school, interim intensive care assessment, and programs providing more than 30 hrs./yr. service but not more than 3 days/week per year.

Diagnosis and evaluation - less than 30 hours per year

Population in Need: This program's needs center around the increasing population of deaf-blind children and the shortage of trained personnel to administer educational services. Of the estimated 5,000 to 7,000 deaf-blind children, 4,414 have been identified. Of the children identified, 1,300 are receiving no educational services. An additional 246 children now receiving part-time educational services are in need of full-time educational programs.

Manpower Needs: Matched against the problem of the growing population of deaf-blind children needing educational services is an acute shortage of trained teacher/teacher-aide personnel. Current teacher training programs are producing 40-50 qualified teachers per year. In order to meet the educational needs of the known population of deaf-blind children, an additional 500-600 teachers must be trained. The same number of supportive teacher-aide staff will also be required.

Non-Federal contribution: Current estimates show that 50% of the funding for deaf-blind programs comes from State and local governments.

Federal Funding and Location of the Ten Deaf-Blind Centers, FY 1974

1. Watertown, Massachusetts (Serves Massachusetts, New Hampshire, Vermont, Connecticut, Rhode Island, and Maine)	$1,093,750
2. Bronx, New York (Serves New York, New Jersey, Pennsylvania, Delaware, Puerto Rico, and the Virgin Islands)	2,050,000
3. Raleigh, North Carolina (Serves North Carolina, South Carolina, District of Columbia, Virginia, West Virginia, and Maryland)	1,225,000
4. Talladega, Alabama (Serves Alabama, Florida, Georgia, Kentucky, Mississippi, and Tennessee)	1,122,363
5. Lansing, Michigan (Serves Michigan, Illinois, Indiana, Ohio, Wisconsin, and Minnesota)	1,585,955
6. Dallas, Texas (Serves Texas, Arkansas, Louisiana, Missouri, Oklahoma, and Iowa)	1,380,697

7.	Denver, Colorado (Serves Colorado, Kansas, Nebraska, Wyoming, New Mexico, Utah, North Dakota, and South Dakota)	2,019,228
8.	Seattle, Washington (Serves Washington, Oregon, Alaska, Idaho, and Montana)	1,155,548
9.	Sacramento, California (Serves California, Arizona, Hawaii, Nevada, Guam, and U.S. Trust Territories)	2,005,000
10.	Austin, Texas*	417,459
		14,055,000

* Single State Center. This Center serves the whole State of Texas with direct educational services. The Center in Dallas provides only supportive services and technical assistance to the State of Texas upon request, and serves five other States as a regional center.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
1. State assistance:				
(c) Severely handicapped projects............	$2,826,000	$2,826,000	$3,250,000	$+ 424,000
New awards............	($ 750,000)	($ 750,000)	($1,094,000)	($+ 344,000)
Number..............	6	6	9	+3
Continuing awards.....	($2,076,000)	($2,076,000)	($2,156,000)	($+ 80,000)
Number..............	10	10	12	+2

Narrative

Program purpose

In order to establish and promote programmatic practices designed to meet the educational and training needs of severely handicapped children and youth, this program, under the authority of the Education of the Handicapped Act, Part C, section 624, awards contracts to develop and demonstrate such practices. The Federal strategy is to eventually cover all States or sparsely populated multi-State regions with demonstrations appropriate to State-wide needs. The ultimate goal in the education and training of the severely handicapped is to make them as independent as possible, thereby reducing their requirements for institutional care and increasing their opportunities for self-development.

Contracts are awarded competitively on a one-year basis, with continuations funded for a second and third year on the basis of a project's effectiveness, replicability of elements, and availability of funds. Eligible contractees are State departments of special education, intermediate or local education agencies, institutions of higher education, and other public and nonprofit private agencies.

The principal problems limiting the delivery of effective educational/training services to severely handicapped children and youth, in those areas where such services are mandated or supported include:

(1) Serious shortage of personnel with expertise and experience
(2) Serious lack of adequate, functional facilities
(3) Lack of appropriate curricula, methodologies, and educational/training programs
(4) Scarcity of specialized materials and equipment
(5) Limited identification, diagnostic, prescriptive, and placement services
(6) General lack of concern for the needs of such persons, as well as the near non-existence of advocate groups functioning in their behalf.

Plans for fiscal year 1976

In order to make the education of the severely handicapped a National priority, funds are being requested separately for this program for the first time in fiscal year 1976. In fiscal years 1974 and 1975 demonstration projects targeted on the severely handicapped were supported with funds from the Regional Resource Centers, Early Childhood Education, and Media Services and Captioned Films. The newly requested funds will continue 12 of those projects and start 9 new ones.

These projects will be comprehensive, State-wide, and focused on the provision of appropriate and required services for these children. The programs are designed to demonstrate the following objectives. To:

(a) facilitate mental, emotional, physical, social, and language development.

(b) encourage parent participation.

(c) acquaint the community with the capabilities and potentialities of the severely handicapped.

(d) facilitate deinstitutionalization to home-based, community-centered intervention programs, as needed on an individual basis.

In addition, through our regular program administration we will be continuing efforts to establish and expand cooperative working relationships with 10 States to assist them in developing a comprehensive program of services to severely handicapped children and youth. These activities will include technical assistance, program guidance and evaluation support to aid the States to develop better "least restrictive" services for these children.

To further the impact on this program, the Office of Education will be validating and disseminating the results so that State and local Education Agencies can begin implementing the findings.

This program will also continue to consult with and help coordinate Bureau-wide efforts on behalf of the severely handicapped, in fields such as research and demonstration, media development, and teacher training.

Accomplishments for fiscal years 1974 and 1975

In late fiscal year 1973 and during the first half of fiscal year 1974, the Bureau of Education for the Handicapped adopted a working definition of severely handicapped children and youth, and defined the objectives of a program to impact on this poorly served population. To meet the needs of the target population in a more focused manner, 10 contracts were awarded which provided, in conjunction with relevant public and private agencies within a State, (a) a comprehensive service plan; (b) a replicable model demonstration program providing direct services; and (c) a strategy to widely disseminate exemplary projects and project elements to professional and nonprofessional personnel.

In fiscal year 1975, the 10 projects were continued for a second year and 6 new ones were funded. The six new projects focused on children with the following as primary handicapping conditions: (1) aural impairment, (2) emotional disturbance, (3) orthopedic impairment, (4) visual impairment, (5) profound retardation - birth through early childhood, and (6) profound retardation in youth.

SUPPLEMENTARY FACT SHEET

Severely Handicapped Projects

Because of widely differing definitions of severely handicapped children used throughout the States and because of the general lack of information regarding their whereabouts and diverse needs, statistics concerning such children and youth are understandably imprecise. However, the following data has been developed to provide a general index as to the intensity of the problem facing educators of the severely handicapped:

ESTIMATED NUMBER AND TYPES OF SEVERELY HANDICAPPED CHILDREN*

Type of Handicap	Total Children Ages 0-19	Children Receiving Some Services	Children Receiving No Services
Severely and Profoundly Mentally Retarded	460,000	230,000	230,000
Deaf-Blind	5,064	3,832	1,232
Multi-Handicapped	40,900	9,310	31,590
Seriously Emotionally Disturbed (Autistic and Schizophrenic)	900,000	109,000	791,000
	1,405,964	352,142	1,053,822

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* Based on Fiscal Year 1973 Projected Activities Documents (OE 9016) submitted by States and Territories, and data from Fiscal Year 1972 PL 89-313 and Part B, EHA Project Reports contained in the Aid to States Information System.

PER-PUPIL ANNUAL COSTS

Of the 1,405,964 severely handicapped children, 352,000 are receiving services from Federal, State, local and private sources. The estimated average per-pupil annual costs for the provision of appropriate educational training services to severely handicapped children and youth is shown in the following table:

	Training/Educational Setting	Educational/Clinic-Type Setting
Severely and profoundly mentally retarded	$6,500	$10,000
Deaf-Blind	9,000	15,000
Multi-handicapped	8,000	12,000
Seriously emotionally disturbed	7,000	11,000

Status of State Legislation

One of the principal causes for this lack of adequate service benefits to the severely handicapped, appears to be the lack of appropriate legislation making educational and related services to such persons mandatory or at least highly suggested. Currently, only five States (Maryland, Missouri, Montana, North Carolina, and Tennessee) have specifically mandated services to severely handicapped children and youth. An additional 23 States' legislation implies support for such services, while 13 States' legislation implies lack of support and 5 states do not provide state reimbursement to such efforts (Alabama, Delaware, Georgia, Ohio, and New York--with the exception of New York City itself). The States of Louisiana, and Mississippi have no mandatory special education laws.

Program and Financial Data

	Fiscal Year 1974	Fiscal Year 1975	Fiscal Year 1976
No. of Projects	10	16	21
New	10	6	9
Continuing	--	10	12
Average Cost			
New	$225,000	$125,000	$121,500
Continuing	---	207,600	180,000
Total Cost	$2,246,659	$2,826,000	$3,250,000
New	(2,246,659)	(750,000)	(1,094,000)
Continuing	(---)	(2,076,000)	(2,156,000)
Number of children participating in the demonstration projects	701	1125	1500

	1975 Estimate	1975 Revised	1976 Request	Increase or Decrease
2. Innovation and development:				
(a) Early childhood education....	$13,330,000	$13,330,000	$22,000,000	$+8,670,000
New Awards...........	(5,370,000)	(5,370,000)	(10,105,000)	(+4,735,000)
Number	78	78	139	+61
Continuing awards...	(7,960,000)	(7,960,000)	(11,895,000)	(+3,935,000)
Number	75	75	104	+29

Narrative

Program purpose

In order to build the capacity of State and local educational agencies to provide comprehensive educational services for handicapped preschool children, this program, authorized under Part C, section 623 of the Education of the Handicapped Act supports demonstration and outreach projects for that purpose. The Federal strategy is to work cooperatively with States through public and private non-profit agencies to demonstrate a wide range of educational, therapeutic services, and coordinated social services to help establish competent State and local programs incorporating the best of tested practices.

Grants and contracts are awarded annually on the basis of a National competition; each model demonstration is approved for a three year period, but receives second and third year funding on the basis of successful performance, and availability of funds.

Each demonstration model includes the following components: (a) parent participation, to demonstrate meeting the needs of parents and family members for counseling and emotional support, information, opportunity for observation, practice, home carry-over, and involvement in project planning and evaluation; (b) developing and demonstrating procedures for assessment of child progress and program evaluation; (c) provision of inservice training to increase volunteer, paraprofessional and professional staff effectiveness; (d) coordination with other agencies, especially the public school; and (e) dissemination of information to professionals and to the general public, concerning comprehensive programming for young children with handicaps.

Projects which have completed the demonstration phase, proven their success, and secured assurance that the basic project will be continued from State, local, private or other funds, become eligible to apply for support to enter the outreach phase. Outreach projects assist other agencies or programs wishing to provide effective programming for young handicapped children by helping the agencies replicate the project model or major components of it; providing resource assistance to programs wishing to integrate handicapped children; or training personnel of other agencies or programs. Outreach funding is available on a one-year basis, but may continue if the demand for assistance from a project is great.

Plans for fiscal year 1976

In order to build the capacity of State and local education agencies to provide comprehensive preschool educational opportunities for handicapped children, 1976 plans for this program call for the expansion of the demonstration and outreach effort. With the additional support in fiscal year 1976, the program will attempt to work more intensively with the States. To move in this direction, various activities will be undertaken:

1) A list will be developed by 35 States of individual State priorities for provisions of services to preschool handicapped children. Priority areas of concern might include programs needed for a particular age level or handicapping condition; a type of service delivery system (e.g. homebound, hospital, or public school); or programs designed to facilitate provision of comprehensive services to the entire handicapped preschool population. State priorities will be incorporated into the decision-making process, and awards will be made to the extent possible, in conformity with this priority plan.

2) In order to improve the efficient use of Federal, State and local resources, 20 awards will be made to State education agencies for support of early childhood coordinators in 20 States. These awards will provide for the half-time salary and travel expenses of each coordinator.

3) Support will be provided for the formal validation of 10 demonstration models for widespread dissemination to State and local governments in order to provide program alternatives.

In addition to the new State capacity-building activities, the demonstration and outreach strategy will be expanded by increasing the number of new first-year projects from 25 to 52. The demonstrations including 4 projects targeted on the severely handicapped, will continue to receive the benefits of the Technical Assistance Development System begun in previous years.

Accomplishments for fiscal years 1974 and 1975

In order to encourage special educational programming for handicapped preschool children, this program supported 104 demonstration and 51 outreach projects in school year 1974-75; in school year 1975-76, 100 demonstrations and 52 outreach projects were supported. Through these projects the following activities were demonstrated:

(1) screening of preschool children and infants

(2) provision of training and other supportive services to parents

(3) provision of diagnostic and resource assistance to handicapped children in other programs or agencies, e.g., Head Start, local day-care centers and

(4) provision of training for Head Start staff members, public school educators, day-care and nursery school staff and volunteers.

In addition, funds continued support to the Technical Assistance Development System (TADS) to include outreach efforts and continued funding Mister Roger's Neighborhood television program (1974). Other projects funded in 1974 were targeted on the severely handicapped. These projects are discussed separately in the narrative justification for Severely Handicapped Projects.

SUPPLEMENTARY FACT SHEET
Early Childhood Education

Estimated Population in Need: Conservative estimates indicate that there are 1,000,000 preschool handicapped children. Approximately 30% of these children are being served in varying degrees through demonstration and outreach projects, Head Start and Day Care programs, public education day programs, and through State supported activities.

Expected Effect of Service: It is generally recognized that handicapped children can make exceptional gains if their handicaps are identified and diagnosed as early as feasible, and if they thereupon begin to receive educational services attuned to their special needs. Such intervention will have a very positive effect on the child's development and adjustment to his environment; it will prevent some temporary dysfunctions from becoming permanent; and it will affect the relationship of the child with his family, peers, and society in general. It is also recognized that such early intervention is cost effective, in that it decreases the possibility that a child will need costly special educational services in later life.

Summary of Funding

Fiscal Year 1974 Funding
Normal grant period July 1974 - June 1975

45 1st year projects @ $ 67,000	$ 3,000,000
29 3rd year projects @ $117,000	3,400,000
(30 1st year projects were funded in October 1973 from fiscal year 1973 supplemental funds)	
51 Outreach projects @ $ 78,000	4,000,000
Technical assistance and Mister Roger's Neighborhood	931,000
(Funds used to support 7 early childhood projects under "Severely Handicapped Projects")	(669,000)
1974 budget authority	$11,331,000

Fiscal Year 1975 Funding
Normal grant period July 1975 - June 1976

25 1st year projects @ $ 60,000	$ 1,500,000
30 2nd year projects @ $105,000 (Oct. 1974-June 1975)	3,160,000
45 2nd year projects @ $107,000	4,800,000
52 Outreach projects @ $ 65,300	3,395,000
Technical assistance	475,000
(Funds used to support 7 early childhood projects under "Severely Handicapped Projects")	(670,000)
1975 budget authority	$13,330,000

Fiscal Year 1976 Funding
Normal grant period July 1976 - June 1977

52 1st year projects @ $ 66,000,000	$ 3,432,000
25 2nd year projects @ $110,000,000	2,750,000
45 3rd year projects @ $115,000,000	5,175,000
30 3rd year projects @ $110,000 (July 1975-June 1976)	3,300,000
56 Outreach projects @ $ 82,730	4,633,000
10 Validation projects @ $100,000	1,000,000
Technical assistance	740,000
4 projects for the severely handicapped	670,000
State education agency early childhood coordinators, half time in each of 20 States	300,000
1976 budget authority	$22,000,000

Summary by School Year

School year 1974-75
- 106 demonstration projects
- 51 outreach projects

School year 1975-76
- 100 demonstration projects
- 52 outreach projects

School year 1976-77
- 122 demonstration projects
- 56 outreach projects

Estimates of the direct impact through the demonstration and outreach activities are as follows:

	School Year 1974-75	School Year 1975-76	School Year 1976-77
DEMONSTRATION OUTPUTS:			
Children receiving direct services..........................	7,000	8,350	14,000
Children screened................	15,000	20,000	36,000
Number of children in other programs, e.g., Head Start, provided diagnostic or resource assistance..........	10,000	20,000	36,000
Number of parents served........	14,000	16,000	28,000
Number of staff personnel receiving inservice training.........................	3,500	4,500	7,500
Paraprofessionals trained.......	2,500	4,000	7,000
Head Start personnel trained...	3,000	4,000	6,000
Public school personnel trained..........................	5,000	6,000	8,000
Personnel trained from local day care centers.............	2,500	4,000	6,000
Nursery school personnel trained..........................	2,500	4,000	6,000
Volunteers trained.............	2,500	5,000	5,000
IMPACT FROM OUTREACH PROJECTS:			
Number of children in replication projects..............	30,000	45,000	45,000
Number of complete replication projects..............	350	500	500
Number of projects replication components...........	650	1,000	1,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
2. Innovation and development:				
(b) Specific learning disabilities............	$3,250,000	$3,250,000	$4,250,000	$+1,000,000
New awards........	(1,664,883)	(1,664,883)	(2,585,117)	(+920,234)
Number..........	15	15	20	+5
Continuing awards	(1,585,117)	(1,585,117)	(1,664,883)	(+79,766)
Number..........	16	16	15	-1

Narrative

Program Purpose

In order to stimulate State and local provision of comprehensive identification, diagnostic, prescriptive and educational services for all children with specific learning disabilities this forward-funded program, authorized by Part G of the Education of the Handicapped Act, supports model programs and supportive technical assistance, research, and training activities. It also provides for early screening programs to identify these children, and for dissemination of information about the learning disabilities programs.

Recognition of this discrete type of handicap has been relatively recent and Federal activities are designed to help define the nature of the disorders, to stimulate adoption of early screening procedures, find approaches to treatment, and to stimulate an increased supply of teachers trained to handle the problems of the affected populations.

Grants and contracts are awarded annually at the Commissioner's discretion through a National competition. Eligible grantees are institutions of higher education, State and local education agencies, and other public and private educational and research agencies or organizations.

Plans for fiscal year 1976

In order to expand and improve educational services to children with learning disabilities, this program will fund child service demonstration centers which will support the following:

(a) specific components of model projects meant to serve high-need populations such as the disadvantaged, the geographically isolated, and secondary level students.

(b) a major effort to define, validate, disseminate and stimulate replication of identified models.

(c) funding of new models utilizing personnel from the fields of psychology, medicine and special education.

In addition:

(a) technical assistance will be provided for child service demonstration center model projects and for aiding States in planning to provide total service delivery systems.

(b) an independent evaluation of program impact will be undertaken which will aid in:

(1) establishing minimum standards for programming and specific definitions for services

(2) selecting valid models of screening, diagnosis and intervention

(3) establishing firm standards in service delivery and qualifications of teaching personnel

(4) defining needed new models of service delivery and personnel requirements.

Funding will be provided as follows:

15 continuation projects	$1,665,000
18 new projects	2,135,000
1 technical assistance	300,000
1 outside evaluation	150,000
Total	4,250,000

Accomplishments in fiscal years 1974 and 1975

During the life of this program 45 States have been funded to operate model demonstration centers. Currently, projects are operating in 38 States with 1974 funds, and six of the remaining 7 are now being funded by the individual States.

In 1974 and 1975 the program:

(1) demonstrated a variety of services for children with learning disabilities through child service demonstration centers; in addition to those served directly, many children are served as a result of replications of current and past projects. With 1974 funds, nine States participated in replication activities: California, Nebraska, New Mexico, Ohio, Pennsylvania, Texas, Virginia, West Virginia, and Wyoming;

(2) conducted in-service training on diagnosis and remediation of learning disabilities for regular classroom teachers;

(3) provided parents of learning disabled children with materials and information on techniques and methods of working with and understanding the problems of their children; replication projects provided information and counseling services;

(4) developed, with 1974 funds, 4 teachers' manuals for guidance in early screening, diagnostic services, remediation programming, and program implementation methods ($50,000).

SUPPLEMENTARY FACT SHEET

Specific Learning Disabilities

Direct Impact

-- The direct impact of the program is as follows:

	Fiscal Year 1974	Fiscal Year 1975	Fiscal Year 1976
1. Number of children in model projects	4,300	14,500	20,000
Number of projects..................	38	31	35
2. Number of children in replication activities........................	8,000	12,000	14,500
3. Number of regular classroom teachers receiving in-service training for diagnosis and remediation.........	1,300	4,500	6,500
4. Parents provided with materials and information......................	1,500	2,500	3,800
5. Parents provided counseling..........	2,500	2,500	2,500

Needs of Population

The learning disabled are the largest category of handicapped children not served. Using even the most conservative estimates, no more than 25% of these children are in an appropriate educational setting.

It is estimated that about 30% of the handicapped school-aged population have specific learning disabilities.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
2. Innovation and development:				
(c) Regional vocational, adult and post-secondary programs.....	$575,000	$575,000	$2,000,000	$+1,425,000
New awards..............	(575,000)	(575,000)	(1,425,000)	(+850,000)
Number................	3	3	6	+3
Continuing awards......	(---)	(---)	(575,000)	(+575,000)
Number................	---	---	3	+3

Narrative

Program purpose

In order to provide vocational, technical, postsecondary, and adult educational opportunities for deaf and other handicapped persons, this program, authorized by Part C, Section 625 of the Education of the Handicapped Act, awards grants and contracts for the development and operation of regional centers for this purpose. Priority consideration is given to: (1) programs serving multi-State regions or large population centers; (2) programs adapting existing programs of vocational, technical, postsecondary, or adult education to the special needs of handicapped persons; and (3) programs designed to serve areas where a need for such services is clearly demonstrated.

The needs of the population that is addressed by this program fall into two general areas: (1) career education and the supportive services relative to career placement, (2) skills necessary for successful and rewarding functioning in daily life. Programs must include emphasis on job placement in the white collar, skilled, and unskilled labor markets, and must also provide instruction in skills such as home budgeting.

Plans for fiscal year 1976

In fiscal year 1976, in order to provide vocational, postsecondary, and adult educational opportunities for the handicapped, this program will continue to fund the three postsecondary projects ($575,000) supported in fiscal year 1975, and will begin 6 new projects ($1,425,000) for the comprehensive provision of postsecondary and adult educational services to the handicapped. The definitions of the services to be provided are:

(1) Postsecondary activities: Activities will include vocational-technical education serving deaf, blind, physically, and other handicapped persons. Among the services to be offered are guidance and counseling, tutoring, special translation for deaf and/or blind students; assistance to physically handicapped students through design of special course offerings, provision of speech, language and therapy services. All of the above mentioned activities are aimed at facilitating career choice and job placement for handicapped persons.

(2) Adult education activities: Adult education centers will be supported which will build on existing community and regional adult and continuing education programs and demonstrate the successful inclusion of handicapped persons in those types of existing educational programs. This support will also be available to develop programs specifically for the severely handicapped and will emphasize occupational training, leisure time activities and other pursuits of everyday life that are necessary for fuller participation in society by the adult handicapped.

Accomplishments for fiscal years 1974 and 1975

For the first time in fiscal year 1975, this program continued and expanded the work of three demonstration projects previously jointly funded by the Office of Education and the Social and Rehabilitation Service. These projects demonstrated effective ways of modifying postsecondary and vocational programs to provide for the participation of handicapped persons. Prior to 1973, the Office of Education' contribution to these projects was derived from the Research and Demonstration program for the handicapped.

Three projects funded in fiscal year 1975 were:

(1) St. Paul Technical Vocational Institute ($200,000)--This project has provided training and field placement for interpreters, has developed a training course with accompanying instructional aids for high school programs for the deaf and has provided personal and professional advancement for adult deaf persons through an evening program.

More than 480 deaf students from 32 States, the District of Columbia, and Canada have matriculated at this institution. Training is offered in 38 different areas, including accounting, bricklaying, carpentry, data processing, highway technology, machine tool processes, plumbing, watchmaking and welding. Supportive services include, (1) a preparatory program, (2) counseling, (3) job placement and follow-up, (4) interpreting, (5) note taking, (6) tutoring, (7) auditory training, (8) career media for the handicapped, and (9) extracurricular activities.

(2) Seattle Central Community College ($175,000)--This project has provided residence placement and residence counseling services for its deaf students. It has also established a special arrangement with a nearby hospital to provide for the health needs of its students. As part of this special arrangement the project has taught sign language to the receptionists at this health facility.

The Seattle Central Community College has attracted more than 350 students from 40 different States. Areas of study such as horology, recreational technology, architectural drafting, welding, computer operation, and machine shop courses have been pursued by the students. Support services provided include interpreting, counseling, note taking, auditory evaluation and training, speech and communication skills, job placement and development, tutoring and preparatory program evaluation.

(3) California State University at Northridge ($200,000)--This project has taught sign language to non-deaf students enrolled at the University. It has also conducted major public education activities such as dramatic presentations in sign language and was the subject of a local television documentary.

Approximately 519 students have been served by the California State University at Northridge. Nearly 40 States have been represented in the student population. The program provides for both graduate and undergraduate study. Undergraduate majors are currently being pursued in 20 areas, including art, biology, engineering, home economics, mathematics, physical education and sociology. Graduate students are studying in such areas as child development, English, journalism, political science and special education.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
2. Innovation and development:				
(d) Research and demonstration.....	$9,341,000	$9,341,000	$11,000,000	$+1,659,000
New awards..........	(5,500,000)	(5,500,000)	(6,000,000)	(+500,000)
Number............	70	70	60	-10
Continuing awards...	(4,416,000)	(4,416,000)	(5,000,000)	(+584,000)
Number............	30	30	50	+17

Narrative

Program purpose

In order to improve educational opportunities for handicapped children, this program, authorized by Part E of the Education of the Handicapped Act, supports research and development activities. These activities seek to improve the effectiveness and efficiency of the educational system for handicapped children by supporting the development and validation of new service models and techniques; by packaging information into usable form; and by systematically assuring that this information is placed in appropriate hands. Activities are designed so that quality research and development products can be easily integrated into the educational delivery system.

State and local education agencies, institutions of higher education, and public and private educational and research agencies and organizations are eligible for the grants and contracts that are awarded annually at the Commissioner's discretion through National competition. Projects are approved for periods ranging from 1 to 5 years, but awards are made for one year, with continued funding based on quality performance and availability of appropriations. In a few instances, awards are made for more than one year. In 1975, this program is funding 1 project for 18 months in an amount of $7,000. In 1976, an estimated 5 projects will be funded for 18 months each, for a total of $50,000.

Plans for fiscal year 1976

In the past, much of the Office of Education's research program in special education has been based on reaction to field-initiated, unsolicited proposals, an approach which has contributed significantly to knowledge about handicapped children and has increased the availability of educational resources. Limited resources and new demands for information have required setting specific research plans, which will be implemented in fiscal year 1976.

In order to improve educational opportunities for handicapped children, the following innovation and development activities are proposed:

a) Improve the quality and increased quantity of early childhood education for handicapped children by developing assessment instruments and diagnostic methods; validating infant education programs and developing language training and development systems for preschoolers. ($2,000,000)

b) Development of programs to integrate handicapped children into regular education programs through mainstreaming, development of new curricula, and through solution of special education finance and legal problems. ($3,000,000)

c) Extended research in vocational education for post-secondary handicapped youth including techniques for vocational guidance, job redesign and placement, and vocational assessment and evaluation. ($2,000,000)

d) Improving the quality of teachers and paraprofessional personnel for special education through new approaches to evaluating teacher competency, mediated and modular teacher training programs, and new technological systems to aid in teachers' performance. ($2,000,000)

e) Increasing programming for the severely handicapped through research and development of alternative methods of institutional release, alternative living arrangements, curriculum, utilization of technology, and design of screening and diagnostic techniques. ($2,000,000)

Accomplishments for fiscal years 1974 and 1975

At the end of fiscal year 1974, supported projects had resulted in the distribution of over 500 products relating to education of the handicapped through the Educational Research Information Center (ERIC) system, and at least an equal number of publications in referred professional journals. Validated curriculum materials designed specifically for the speech and hearing impaired and mentally retarded have been developed and are now available in the areas of articulation therapy, language for the deaf, control of stuttering, and in several academic areas.

During fiscal year 1975 the primary efforts in speech involve the development and validation of more effective methods for correcting disabilities in the area of articulation, particularly program instruction and automated systems, delivery systems for speech and hearing services and language development of deaf children. The Optacon, a hand held reading device for the blind, which was developed over several years with Office of Education resources, has been tested educationally and technologically, and efforts to lower the cost, increase the portability, and improve the efficiency to a higher reading level are being continued.

In addition, during fiscal year 1975 a major research planning effort was undertaken to determine how research activities can operationally support Office of Education objectives for the handicapped. Long range research plans relevant to each objective are currently being developed which identify specific research tasks that merit immediate support. Areas of concern already identified are:

1) lack of teaching materials adapted to the unique needs of handicapped children,

2) insufficient knowledge about successful methods of teaching,

3) lack of programming in certain high need areas such as early identification and diagnosis, and early education; career/vocational education; education for the severely and multi-handicapped, and

4) lack of appropriate methods to integrate handicapped children into secondary, adult, and higher education programs.

SUPPLEMENTARY FACT SHEET

Research and Demonstration

Research and Demonstration Awards By Category of Handicapped

	1973 Actual		1974 Actual		1975 Estimate		1976 Estimate	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Area:								
Speech and hearing...	3	$ 478,316	8	$ 362,309	5	$ 400,000	[illegible]	[illegible]
Visually handicapped.	6	212,016	7	503,530	10	800,000	11	660,000
Crippled and other health impaired....	8	1,058,762	13	756,824	10	800,000	11	660,000
Emotionally disturbed	1	120,000	2	98,415	5	400,000	6	330,000
Mentally retarded....	15	3,104,347	14	2,107,964	10	800,000	11	660,000
Hearing impaired.....	15	1,198,360	7	324,946	10	800,000	11	660,000
Non-category..........	41	3,662,310	42	5,581,012	50	5,341,000	54	7,700,000
Total............	89	9,834,109	93	9,735,000	100	9,341,000	110	11,000,000

Institutions receiving awards: Of the institutions which have received awards, 60% are four-year colleges or universities, 20% are State or local education agencies, 10% are professional organisations, and 10% are "other".

Other funding sources: Many projects have been jointly funded with the National Institute of Mental Health, the Social and Rehabilitation Services, the Rehabilitation Services Administration, and one is currently under consideration with the Department of Transportation. All applicants are encouraged to find local or other resources to complement Federal funds, although there are no matching requirements.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Media and resource services:				
(a) Media services and captioned films.	$13,000,000	$13,000,000	$16,000,000	$+3,000,000
New awards......	(9,700,000)	(9,700,000)	(6,250,000)	(-3,450,000)
Number.........	59	59	63	+4
Continuing awards.........	(3,300,000)	(3,300,000)	(9,750,000)	(+6,450,000)
Number.........	10	10	21	+11

Narrative

Program Purpose

In order to respond to the need to help provide the handicapped learner with special educational materials, this program, authorized under Part F of the Education of the Handicapped Act, supports grants and contracts for this purpose so as to make it possible for the handicapped to be educated effectively. This includes producing and distributing educational media for the use of handicapped persons, their parents, their actual or potential employers, and other persons directly involved in work for the advancement of the handicapped; training persons in the use of educational media for the instruction of the handicapped, and carrying on research in the use of educational media for the handicapped. This latter purpose is being advanced through the operation of a National Center for Media and Materials for the Handicapped, and a system of special centers called Area Learning Resource Centers which focus on demonstration and technical assistance to the States to enable them to utilize media and materials for the handicapped.

An equally important mission is the original Congressional mandate: to promote the general welfare of deaf persons by captioning and distributing motion picture films and other media which play an important role in their advancement on both a general cultural and an educational basis. In both cases the purpose of this program is to provide for maximum access to learning experiences by handicapped children through the development and demonstration of the best available practices, and efficient management of both material and human resources.

Projects are approved for periods of up to 36 months, but awards are made annually, with renewals funded on the basis of a project's effectiveness and the replicability of its elements, and availability of appropriations.

Plans for fiscal year 1976

1) Marketing and Implementation Strategy: A number of curricula, films, television and other educational technology products are now reaching the final stages of development. In many instances, the effective application of these new tools in the classroom will be delayed by lack of awareness concerning their availability, by lack of understanding for what purposes they can be used, and by a lack of ability to purchase the materials at the local level. For example, the Optacon, a device developed with Federal funds to enable blind people to read print, is now being purchased by blind adults for a variety of occupational applications; yet further use of these Optacons, costing less than $3,000 each, could be made if they were available to major training centers for teachers of the blind and also to major educational settings for the blind.

This strategy will also assume support for a project providing the opportunity for equal education for visually handicapped students on the elementary and high school levels by providing them with free custom-made tape copies of text books. Required reading is not available in braille; therefore recorded reading materials are needed.

In addition, many of these devices or curricula have not yet been properly tested and guided through the many steps needed to convert a promising prototype into a rationally designed production model.

In fiscal year 1976, we intend to initiate a marketing and implementation strategy to help assure that production models are widely distributed among handicapped consumers. Of the $3,000,000 increase in the total program, $2,000,000 will be devoted to this effort to make practical use of technological advances.

2) Area Learning Resource Centers and National Center: The 13 Area Learning Resource Centers (ALRC's) facilitate the development and implementation by State Education Agencies of a capacity to respond to the learning needs of handicapped children through educational media and materials. ALRC's provide services to State and local education agencies which include (1) acquisition or development of materials which are designed to accommodate unique learning characteristics of the handicapped child; (2) training those who would design, select, prescribe or use instructional materials to be competent in the procedures, machinery-operation, or software usage involved in mediated teaching; (3) inform teachers or learners of the available material which are designed to meet specific learning objectives of children; (4) provide materials needed by the teacher or learner through a logistical system of materials supply; (5) provide direct services to handicapped children and their teachers as a demonstration of effective practice and by offering technical and developmental assistance to professional educators and administrators, in establishing similar programs.

There are 3 specialized centers for media and materials development and dissemination for the (1) blind and visually impaired, (2) deaf and hard of hearing, (3) other handicapping conditions, and a fourth center which is a film and materials depository. These centers locate, field test, develop and disseminate new materials and plan future efforts.

The National Center on Educational Media and Materials will:

a) coordinate efforts of the Area Learning Resource Centers and specialized offices;

b) develop and maintain a national information system for media and materials which will operate a search and retrieval system to answer inquiries and maintain inventory, circulation, and demand records;

c) develop methods and techniques to train teachers of the handicapped in using materials, and

d) enter tested products into educational systems for distribution to intended users.

3) Captioned Educational and Theatrical Films for the Deaf: This program will continue the film program by captioning and distributing those films which promote the cultural and educational advancement of the deaf population. The program will reach nearly 3 million hearing impaired persons annually in all 50 States.

Special support is available for captioning educational films for children and adults, with particular demand coming from vocational schools, community colleges, and continuing education programs for the hearing impaired.

More than 4,000 groups of hearing impaired persons are registered for this service and more groups are certified each week. It is estimated that the program will need 80-100 new titles per year to keep the number at a sufficient level to meet requests. New and more economical methods of delivery, such as the use of a centralized booking system and library are being used.

4) Captioned Television and Cable TV: The use of captioned television and cable television through the public broadcasting networks holds great promise for communication for entertainment and continuing education for all handicapped persons.

Nightly captioned news programs will be continued. Other captioned television programming for the hearing impaired will be experimented with for future development. Current research is being done on a "decoder" system for captioning programs. Several technical problems exist and must be corrected, i.e., a caption storage system, certain transmission problems, and prevention of deterioration of film or tape quality.

Cable television is a fast-growing medium which has potential benefits for geographically isolated or homebound youngsters, parents of handicapped children and teachers who need supportive services.

5) National Theatre of the Deaf: Support will continue for the National Theatre of the Deaf which has served as a talent center for activities in the theater arts as they relate to the cultural, educational, and vocational betterment of the deaf.

Accomplishments in fiscal years 1974 and 1975

Accomplishments included the captioning and distribution of 140 theatrical and educational films to 3 million deaf persons, a daily captioned newscast broadcast over the national PBS network, and telecommunications projects to provide previously unserved severely handicapped children with educational programs.

A network of Learning Resource Centers was launched to develop specialized educational media and materials to meet the educational needs of handicapped learners; and experiments were conducted to develop an electronic coding system to provide captioned television for more than 13 million hearing impaired Americans.

In addition, in fiscal year 1975, Project Mainstream was launched to increase educational opportunity for sight-impaired elementary and secondary students. This project, to be assumed under the marketing and implementation strategy in fiscal year 1976, served 7,000 high school and 8,000 elementary school blind students. The project produced approximately 2[illegible]000 duplicate tape books.

SUPPLEMENTARY FACT SHEET

Media Services and Captioned Films

Program Financial Data

	1974		1975		1976	
	Amount	No. of Awards	Amount	No. of Awards	Amount	No. of Awards
Captioned Films	$ 2,466,055	47	$ 2,600,000	42	$ 3,000,000	50
Captioned TV and Telecommunications	183,303	2	2,000,000	7	2,000,000	7
Area Learning Resource Centers	5,924,651	19	6,775,500	17	7,650,000	17
National Center on Educational Media and Materials	782,589	1	1,000,000	1	1,000,000	1
Marketing and Implementation	---	---	---	---	2,000,000	8
National Theatre of the Deaf	353,924	1	374,500	1	350,000	1
Demonstrations	3,289,006	17	---	---	---	---
Recordings for the Blind	---	---	250,000	1	---	---
	$12,999,528	87	$13,000,000	69	$16,000,000	84

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Media and resource services:				
(b) Regional resource centers...........	$7,087,000	$7,087,000	$9,750,000	$+2,663,000
Continuing awards...	(7,087,000)	(7,087,000)	(9,750,000)	(+2,663,000)
Number.............	14	14	14	---

Narrative

Program purpose

In order to encourage and promote the development and application of exemplary appraisal and educational programming practices for handicapped children, the Regional Resource Center program was established under Part C of the Education of the Handicapped Act. The centers have used demonstrations, dissemination, training, financial assistance, staff expertise, and services, as strategies for carrying out their mission. The centers also act as a backup agent where State and local services in these areas are nonexistent or inadequate.

Grants or contracts are awarded to institutions of higher education, State educational agencies, or combinations of such agencies or institutions which may include one or more local educational agencies, within particular regions of the United States. Projects are approved for periods of 36 months, but awards are made annually, and renewed on the basis of a Center's effectiveness, and the availability of appropriations.

Plans for fiscal year 1976

Some of the activities supported to achieve the purposes of the program are:

(1) expanding the identification, diagnostic, prescriptive, evaluative placement, and technical assistance currently being provided.

(2) working in close cooperation with the States and local education agencies in promoting the development of direction centers. The direction centers will:

a) provide a one-stop, general information service to match the child's total needs with available services and attempt a multidisciplinary effort to integrate the specialized services needed by the child;

b) account for changes in the childs' needs over time and maintain service information on each referred child;

c) require parent participation;

d) stimulate an active outreach/identification and follow-up program;

e) stress program service evaluation, and

f) serve as a local advocate for handicapped persons generally, and for individual clients particularly.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, approximately 40,000 handicapped children received comprehensive services from six Regional Resource Centers. Approximately 200 State education agency and 6,000 local education agency personnel received training through workshops, special study institutes, and technical assistance activities. In addition to the 40,000 children receiving services mentioned above, 2,000 severely and multiply-handicapped children also received services.

In fiscal year 1975:

(1) The Regional Resource Centers (RRC's) were organized into 13 regional centers with new guidelines aimed at serving the more severely handicapped child and the unserved child. Objectives were to create a National support mechanism to improve and assist State and local officials, teachers, parents and children in gaining improved identification, diagnostic, prescriptive, evaluative and placement services. A coordinating unit was formed to conduct ongoing needs assessment, information and data support, and training of teachers, paraprofessionals, Regional Resource Center staff, and parents.

(2) The 13 RRC's began to coordinate their activities with the Area Learning Resource Centers (supported under the Media Services and Captioned Films budget) and other Federal model program efforts. This coordination developed the beginning of a learning resource system which, working with State and local education agencies, eventually will be a facilitating component coordinated with the delivery of special education services to handicapped children.

(3) The RRC's developed a capacity to respond to identified priority groups of handicapped children who have up to now been "hidden or excluded" from the special education process, i.e., poor inner city and rural populations, including a high percentage of Mexican-Americans, American Indians, Puerto Ricans, and Black Americans.

SUPPLEMENTARY FACT SHEET

Regional Resource Centers

The Regional Resource Centers (RRC's) cover the following regions:

RRC No. 1 "Northwest":	Alaska, Hawaii, Samoa, Guam, Trust Territory, Washington, Oregon, Idaho, Montana and Wyoming
RRC No. 2 "California":	California
RRC No. 3 "Southwest":	Nevada, Utah, Colorado, Arizona, New Mexico, and BIA schools
RRC No. 4 "Midwest":	North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Iowa, Missouri, and Arkansas
RRC No. 5 "Texas":	Texas
RRC No. 6 "Great Lakes":	Minnesota, Wisconsin, Michigan, and Indiana
RRC No. 7 "Illinois":	Illinois
RRC No. 8 "Ohio":	Ohio
RRC No. 9 "Northeast":	Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, and New Jersey
RRC No. 10 "New York":	New York
RRC No. 11 "Pennsylvania":	Pennsylvania
RRC No. 12 "Mideast":	Delaware, D.C., Maryland, Virginia, West Virginia, Kentucky, Tennessee, North Carolina, Puerto Rico, and Virgin Islands
RRC No. 13 "Southeast":	Louisiana, Mississippi, Alabama, Georgia, South Carolina, Florida

	1974 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Media and resource services:				
(c) Recruitment and information	$500,000	$500,000	$1,000,000	$+500,000
New awards	(500,000)	(500,000)	(500,000)	(---)
Number	3	3	10	+7
Continuing awards	(---)	(---)	(500,000)	(+500,000)
Number	---	---	3	+3

Narrative

Program purpose

In order to encourage people to enter the field of special education, to disseminate information, and provide referral services for parents of handicapped children in order that they may be assisted in their attempts to locate appropriate educational programs for their children, this program authorized under Part D, section 633 of the Education of the Handicapped Act, provides grants or contracts for that purpose.

The 1976 budget request for this program is $1,000,000, which is $500,000 more than the 1976 level authorized for Part D section 633 of the Education of the Handicapped Act. Additional authorizing legislation is being proposed.

Plans for fiscal year 1976

To carry out the purpose of the program, the objectives for 1976 are:

(1) to provide information to parents on the variety of services that are available and the kinds of services to which their children are entitled.

(2) to provide access to local sources of information for parents of handicapped children.

(3) to provide local sources of information to assist professionals in referring parents to proper services.

(4) to provide program information to 100,000 new parents through CLOSER LOOK ads and mailings from the Special Education Information Center (SEIC). The SEIC newsletter will reach 200,000 parents on a continuous basis in both English and Spanish.

(5) to support TV and radio announcements and news releases to commercial and public stations which call attention to the need to identify and provide improved services for these children.

(6) to assure that public and educational leaders are aware of the potential of handicapped people.

(7) to continue to target recruitment information at regular educators and students in colleges and high schools to increase the number of teachers in this shortage field and particularly in the areas of minority, bilingual, and severely handicapped programs.

In addition to continuing activities supported in previous years, new activities proposed for fiscal year 1976 are:

(1) to conduct a survey to identify optimum sites for local information units. ($5,000)

(2) to provide assistance grants for the establishment of local information units. Strong emphasis will be placed on involvement of parents of the handicapped in planning these units, and in selecting host organizations to operate and eventually take over financial responsibility for continued operations. ($400,000)

(3) to produce a technical manual with evaluative criteria on information systems and referral services; to facilitate exchange of information between the regional units and State, local and Federal organizations and agencies; and to produce a manual to assist parents to evaluate the relevance of programs to children's needs ($45,000)

(4) to assess the needs and design information packages for special handicapped populations such as the bilingual, Indians, disadvantaged, and geographically isolated. ($50,000)

Accomplishments for fiscal year 1974 and 1975

Fiscal year 1974 funds continued 12 referral centers operating through Health and Welfare Councils, designed to assist parents and other persons in obtaining the most appropriate services for handicapped children.

In addition, regional television and radio campaigns were undertaken in concert with other Department of Health, Education, and Welfare activities concerning the handicapped in a concentrated effort to coordinate information systems and to aid regional and State programs in attracting the quality and quantity of teachers required.

Activities in fiscal year 1975

(1) provided current program information to approximately 50,000 new parents through the CLOSER LOOK ads and mailings from the Special Education Information Center (SEIC). The SEIC newsletter reaches 150,000 parents on a continuous basis;

(2) established an intense regional campaign in the Southwest, including medical, mental health, social, and educational referral and information services that replicated the successful efforts carried on in New England during 1972-73;

(3) conducted showings, on both commercial and public stations, of a TV program that strives to increase public awareness of the need for better services for the handicapped; and

(4) continued to target recruitment information to increase the number of special and regular educators with a particular understanding of the needs of minority and bilingual handicapped children.

SUPPLEMENTARY FACT SHEET

Recruitment and Information

Activities Proposed for Fiscal Year 1976

Task	Estimated Cost
Media Outreach Campaign	$250,000
Operation of Information Clearinghouse	200,000
Production and distribution of Closer Look Report, 3 issues, (1,000,000 circulation)	24,000
Workshops for Parents (3)	3,600
Development of parent-oriented information and distribution to Federal and other programs serving the handicapped	16,400
Production and distribution of Special Education Careers	6,000
Survey of recruitment and informational competencies to identify optimum sites	5,000
Grants to local information units, 8 at $50,000 each	400,000
Technical assistance to local information units	45,000
Media Outreach Campaign for special populations	50,000
TOTAL	$1,000,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
4. Special education manpower development...	$37,700,000	$37,700,000	$39,750,000	$+2,050,000
New awards............	(14,600,000)	(14,600,000)	(16,150,000)	(+1,550,000)
Number..............	208	208	237	+29
Continuing awards.....	(23,100,000)	(23,100,000)	(23,600,000)	(+500,000)
Number..............	358	358	363	+5

Narrative

Program purpose

In order to ensure an adequate supply of educational personnel competent to deal with the special educational problems of the handicapped, this program provides financial assistance through grants to institutions of higher education, State education agencies, and other appropriate nonprofit agencies under Part D of the Education of the Handicapped Act, for the training of teachers, supervisors, administrators, researchers, teacher educators, speech correctionists, and other special services personnel such as specialists in physical education and recreation, music theropy and paraprofessionals. Those personnel trained through this program not only provide direct educational services to handicapped children and youth, but also are involved with preparation of other educators and specialists.

The program awards grants annually at the Commissioner's discretion. All grantees are placed under a block grant system. This allows grantees greater flexibility in the use of Federal funds than was possible under the previous system of allocating a fixed support grant to a fixed stipend level. This system allows the grantee flexibility in allocating funds for various priorities, based on differential needs, such as stipends, faculty salaries or curriculum development. Faculty members receiving support provide training to students other than those who receive direct financial aid. This functions as a multiplier variable to increase the impact of Federal funds by preparing additional numbers of students, and upgrading the quality of the personnel preparation programs. It is estimated that at least three additional students receive some training benefit for each full-time academic year student who is supported by Federal funds under this program.

This program is forward funded, with the minimum award being $1,000 and the average award approximately $70,000. All awards are for 12 months of activity.

Plans for fiscal year 1976

This program provides services to the 50 States, 5 trust territories, and to the District of Columbia. Approximately 300 colleges and universities are reached by this program, 23 of which are predominately black.

Program priorities have been developed through a close planning relationship between the Federal government, the States, and local communities. These are

1) training and retraining of regular class room teachers,
2) provision of teachers for isolated geographical areas and the inner city,
3) training of personnel for early childhood education, education of the severely handicapped, vocational education, and
4) training of paraprofessionals.

Over 30,000 individuals will receive some financial assistance from this program. The requested funding level of $39,750,000 for the school year 1976-1977 provides for the following:

1. Preservice/fulltime and inservice/continuation preparation for special educators:

The program will provide financial support to approximately 8,105 individuals in preservice training as well as related institutional support ($25,370,000), and financial support to approximately 9,665 individuals in inservice training plus related institutional support ($4,080,000).

2. Special education training for regular classroom teachers:

The program will provide financial support to approximately 60 colleges of education and/or physical education to make changes in the curriculum to enable their graduates to be more knowledgeable about and more sensitive to the needs of the handicapped ($3,000,000). In addition, provision is made for financial support to approximately 10,000 regular classroom teachers in inservice training plus related institutional support ($3,550,000)

3. Instructional Models:

Under this component of the program, financial support will be provided for the development of new instructional models to train special educators, regular educators, and paraprofessionals ($3,350,000). Inservice training and assistance will be provided for program planning and implementation, and evaluation of personnel-preparation faculty members ($400,000).

Accomplishments for fiscal years 1974 and 1975

Funding for this program supported 565 projects in fiscal year 1974 and an estimated 566 projects in fiscal year 1975. Through these projects the following activities were initiated or continued:

(1) focusing attention on the educational personnel needs of severely handicapped children,
(2) training of minority group specialists to serve the educational needs of minority group handicapped children,
(3) early childhood training,
(4) paraprofessional training, and
(5) training of regular classroom teachers to meet the needs of handicapped children in regular classroom situations.

In fiscal year 1974 (covering academic year 1974-1975), funds in the amount of $39,615,000 provided program support for over 500 projects and direct financial support to 21,000 students.

The fiscal year 1975 funding (covering academic year 1975-76), at a level of $37,700,000 provided assistance to an estimated 25,220 students in approximately 566 projects.

SUPPLEMENTARY FACT SHEET

Special Education Manpower Development

1. **Demand**: At the present level of service (50% of handicapped children and youth served) special education teacher output from training agencies is just keeping up with the demand created by (a) attrition in the field and (b) the need to fill new opening positions.

2. **Need**: The current demand is for 20,000 new teachers each year. If the educational system is to meet its full service commitment of 500,000 teachers, an additional 260,000 teachers are still needed.

3. **Program operations**: In order to increase the progress toward reaching stated goals, various program approaches are being considered. They include facilitation of university and Statewide planning in order to cut down on duplications of effort, and methods for reducing the special education teacher shortage in rural and inner city areas, such as the recruitment of prospective teachers who have definite community ties, taking the "campus" to the community, and a work-study arrangement in which the student alternates between campus classrooms and community involvement.

DISTRIBUTION OF FUNDS

Fiscal Year 1974

Educational Level	No. of Projects	Funds	Percent	Number of Students
1. Academic Year Training	410	$24,416,000	61.6	4,830
2. Instructional Models	54	5,823,000	14.7	966
3. Regular Education	27	1,459,000	3.7	2,499
4. Continuing Education	56	6,084,000	15.4	12,516
5. Paraprofessional	12	641,000	1.6	189
6. Special Projects	6	1,192,000	3.0	N.A.
TOTAL	565	$39,615,000	100%	21,000

Fiscal Year 1975

	Funds	Percent	Number of Students
1. Academic Year Training	22,000,000	58.4	5,866
2. Instructional Models	4,400,000	11.7	1,154
3. Regular Education	4,500,000	11.9	3,000
4. Continuing Education	6,200,000	16.4	15,000
5. Paraprofessional	600,000	1.6	200
TOTAL	$37,700,000	100%	25,220

Fiscal Year 1976

Special Education Personnel Development
Projected Program Data

Educational Level	Preservice		Inservice		Total	
	Amount	No. of Students	Amount	No. of Students	Amount	No. of Student
1. Early childhood.......	$ 4,500,000	1,400	$ 720,000	1,170	$ 5,220,000	2,570
2. Severely handicapped.	7,500,000	2,220	1,190,000	2,950	8,690,000	5,170
3. Paraprofessional.....	1,000,000	660	170,000	425	1,170,000	1,085
4. Physical education..	1,140,000	350	160,000	410	1,300,000	760
5. Recreation...	340,000	105	55,000	35	395,000	140
6. Interdisciplinary..	500,000	235	80,000	390	580,000	625
7. General special education..	9,250,000	2,800	1,535,000	3,860	10,785,000	6,660
8. Vocational/ career education..	1,140,000	335	170,000	425	1,310,000	760
Subtotal.	25,370,000	8,105	4,080,000	9,665	29,450,000	17,770
Regular Education						
1. Preservice and inservice training........	3,000,000	---	3,550,000	10,000	6,550,000	10,000
Instructional Models						
1. Developmental assistance......	N.A.	N.A.	400,000	665	400,000	665
2. Model implementation..	3,000,000	810	350,000	835	3,350,000	1,645
Subtotal.	3,000,000	810	750,000	1,500	3,750,000	2,310
Total........	31,370,000	8,915	8,380,000	21,165	39,750,000	30,080

N.A.-Not Applicable

Program Purpose and Accomplishments

Activity: State assistance:
(a) State grant program (Education
for the Handicapped Act, Part B)

		1976		1976 Advance for 1977	
1975 Estimate	1975 Revised	Authorization	Budget Estimate	Authorization	Budget Estimate
$100,000,000	$47,000,000	$100,000,000	$50,000,000[1]	$100,000,000	$50,000,000

[1] Reflects requested rescission of $50,000,000 from an appropriation of $100,000,000.

Purpose: To assist the States and outlying areas in the initiation, expansion, and improvement of programs and projects for handicapped children at the preschool, elementary, and secondary levels, and to serve as a catalyst to promote increased programming for children on a comprehensive basis involving various Federal programs and local resources, so that full educational opportunities may be provided to all handicapped children.

Explanation: Funds are allocated and distributed to the States in proportion to their age 3 to 21 population (minimum $300,000). A portion of these allocations may be used for the administration of educational programs for handicapped children. In fiscal year 1975 only, funds are allocated to the States on the basis of the number of children in each State aged 3 to 21, multiplied by $8.75, ratably reduced.

Accomplishments in 1975: A rescission of $52,500,000 has been requested to maintain the level of program operations at the 1974 level. The revised appropriation level would serve, in school year 1974-1975, 250,000 children in nearly 2,000 projects. In 1975 the program also conducted a needs assessment to determine which States were in greatest need. Technical assistance was provided to the States to help them assess their ability to meet new legal requirements for providing full educational opportunities to handicapped children.

Objectives for 1976 and 1977: The program, serving approximately 250,000 children in 2,200 projects in both school years 1975-1976 and 1976-1977, will maintain the level of program activity proposed for support in fiscal year 1975. This estimate is based on the revised level of $50,000,000 for fiscal year 1976, reflecting a requested rescission of $50,000,000 of the amount appropriated. Beginning in school year 1975-1976, the program will concentrate on serving the more isolated child, the more severely handicapped child, and the preschool handicapped child. In addition, extensive program monitoring will be undertaken in order to ensure that States are implementing plans to assure that every handicapped child, no matter how severe the handicap, be afforded an equal opportunity for an appropriate education.

Activity: State assistance:
(b) Deaf-blind centers (Education of the
Handicapped Act, Part C, section 622)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
$12,000,000	$12,000,000	$20,000,000	$16,000,000

Purpose: To provide specialized, intensive educational and therapeutic services to deaf-blind children and their families through regional centers, so that these children may achieve their full potential for communication and adjustment for useful and meaningful participation in society.

Explanation: Contracts are awarded to regional centers which themselves are authorized to sub-contract with State education agencies, State Departments of Mental Health and Welfare, and private agencies for the provision of direct services. The regional centers monitor subcontracts and provide technical assistance, coordination, casefinding, and screening.

Accomplishments in 1975: Through the funding of 10 regional centers and 250 individual projects, 2,800 deaf-blind children were provided full-time educational services, 300 received part-time services, 700 received diagnosis and evaluation services, 3,000 parents were counseled, and 3,000 parents and teachers were provided training related to the special problems of deaf-blind children.

Objectives for 1976: All additional funds in fiscal year 1976 will be targeted on increasing the number of deaf-blind children receiving full-time services, so that an additional 800 children will receive such services, bringing the number served up to 3,600. All other services will be maintained at the 1975 level.

Activity: State assistance:
(c) Severely handicapped projects (Education of the Handicapped Act, Part C, section 621)1/

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$2,826,000	$2,826,000	$20,000,000	$3,250,000

1/ Funds for this program are requested under Part C, section 621; however, the authority used to operate these projects is derived from section 624 of the same part. Funding for section 624 projects may originate in any section of Part C which has specific authorizations.

Purpose: To establish and promote programmatic practices designed to meet the educational and training needs of severely handicapped children and youth, in order to make them as independent as possible.

Explanation: Contracts are awarded on a one-year basis to State departments of special education, intermediate or local education agencies, institutions of higher education, and other public and nonprofit private agencies. Fiscal year 1976 is the first year in which a separate appropriation is requested for this program. In 1975, funds from the Early Childhood Education program and the Regional Resource Center program were used to contribute to this effort for the severely handicapped.

Accomplishments in 1975: In fiscal year 1975, 10 projects were continued for a second year, and 6 new ones were funded. These projects all contained: (a) a comprehensive service plan; (b) a replicable model demonstration program providing direct services; and (c) a strategy to widely disseminate exemplary projects and project elements to professional and nonprofessional personnel.

Objectives for 1976: The newly requested funds will continue 12 projects and start 9 new ones.

Activity: Innovation and development:
(a) Early childhood education (Education of the Handicapped Act, Part C, section 623)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$13,330,000	$13,330,000	$36,000,000	$22,000,000

Purpose: In order to build the capacity of State and local educational agencies to provide comprehensive educational services for handicapped preschool children, this program supports demonstration and outreach projects. The Federal strategy is to assist in the establishment of competent State and local programs incorporating the best of tested practices.

Explanation: Grants and contracts are awarded to public and nonprofit private organizations annually on the basic of National competition; each model demonstration is approved for a three year period, but receives second and third year funding on the basis of successful performance and availability of funds.

Accomplishments for 1975: With 1975 funds, this forward funded program supported 100 demonstration and 52 outreach projects in school year 1975-76. These projects accomplished screening of preschool children, training of parents, provision of diagnostic and resource assistance to handicapped children in other programs, and training for professionals and volunteers in the area of early childhood education.

Objectives for 1976: The program will expand the demonstration and outreach effort through more intensive coordination and cooperation with States in developing their capacities to provide public educational opportunities for all handicapped preschool children. The demonstration and outreach strategy will be expanded by increasing the number of new first-year projects.

Activity: Innovation and development:
(b) Specific learning disabilities (Education of the Handicapped Act, Part C)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Request
$3,250,000	$3,250,000	$20,000,000	$4,250,000

Purpose: In order to stimulate State and local provision of comprehensive identification, diagnostic, prescriptive, and educational services for all children with specific learning disabilities, this forward-funded program supports model programs and supportive services, provides programs to ensure early identification of children with these disabilities, and disseminates information regarding programs for the learning disabled.

Explanation: Grants and contracts are awarded annually at the Commissioner's discretion through National competition. Encouragement is given to those areas where the need is greatest. Institutions of higher education, State and local education agencies, and other public and private educational and research organizations are eligible.

Accomplishments in 1975: In fiscal year 1975 the program emphasized demonstration and replication of a variety of services for children with learning disabilities, conducting inservice training for regular classroom teachers, and providing parents with information on working with and understanding learning disabled children. The funds supported 15 new awards and 16 continuing projects.

Objectives for 1976: In order to expand and improve educational services to children with learning disabilities 20 new awards will be made and 15 projects will be continued. The program will fund child service demonstration centers to support high need populations; fund new models using personnel from the fields of medicine, psychology, and special education; encourage the replication of identified models; provide technical assistance for model projects and for State planning in providing total service delivery systems; and undertake an independent evaluation of program impact.

Activity: Innovation and development:
(c) Regional vocational, adult and post-secondary programs
(Education of the Handicapped Act, Part C, section 625)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Request
$575,000	$575,000	1/	$2,000,000

1/ Such sums as may be necessary.

Purpose: In order to provide vocational, technical, postsecondary, and adult educational opportunities for handicapped persons, this program awards grants and contracts for the development and operation of regional centers.

Explanation: Priority consideration in awarding grants is given to programs serving large population centers, to programs adopting existing vocational programs to the needs of the handicapped, and to programs serving areas where a need for such services is clearly demonstrated.

Accomplishments in 1975: This program continued and expanded the work of three demonstration projects previously jointly funded by the Office of Education and the Social and Rehabilitation Service. These projects in Minnesota, Washington, and California, demonstrated effective ways of modifying postsecondary and vocational programs to provide for the participation of handicapped persons.

Objectives for 1976: The program will continue to fund the 3 projects supported in 1975 and will begin 6 new projects for the comprehensive provision of postsecondary and adult educational services to the handicapped.

Activity: Innovation and development:
(d) Research and demonstration (Education of the Handicapped Act, Part E)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$9,341,000	$9,341,000	$20,000,000	$11,000,000

Purpose: In order to improve educational opportunities for handicapped children, this program supports research and development activities. These activities seek to improve the effectiveness and efficiency of the educational system for handicapped children by supporting the development and validation of new service models and techniques, and by packaging and disseminating information.

Explanation: Applications are made by State education agencies, local education agencies, colleges and universities, and private and public nonprofit agencies. Awards are made annually at the Commissioner's discretion through National competition.

Accomplishments in 1975: Activities funded in 1975 include a major effort to determine how research activities could best support Office of Education objectives for the handicapped, and which areas were of greatest concern. In 1975, 100 research and demonstration projects were undertaken in the fields of articulation, programmed and automated instruction, and delivery of speech and hearing services, among others.

Objectives for 1976: The program is designed to enhance the quality and quantity of early childhood education for handicapped children, to develop programs to integrate handicapped children into regular education programs, to extend research in vocational education for postsecondary handicapped youth, to develop programs to improve the quality of teachers and paraprofessional personnel for special education, and to increase programming for the severely handicapped. In 1976, 100 projects will be undertaken for these purposes.

Activity: Media and resource services:
(a) Media services and captioned films
(Education of the Handicapped Act,
Part F)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$13,000,000	$13,000,000	$22,000,000	$16,000,000

Purpose: The Media Services and Captioned Film program responds to the need to help provide the handicapped learner with specific educational materials to make effective education possible; promotes the general welfare of deaf persons by captioning and distributing motion picture films and other media.

Explanation: Eligible applicants are State and local education agencies, institutions of higher education, and other public and nonprofit private agencies. Projects are approved for periods of up to 36 months, but awards are made annually, with renewals funded on the basis of a project's effectiveness, the replicability of its elements, and the availability of funds.

Accomplishments in 1975: Accomplishments include the captioning and distribution of 140 theatrical and educational films to 3 million deaf persons; captioning of a daily newscast on the PBS network, and telecommunications projects for the severely handicapped. In addition, Project Mainstream served 7,000 high school and 8,000 elementary school blind students with provision of 20,000 recorded books. The network of Area Learning Resource Centers have continued to develop and maintain a media and materials storage and retrieval system for teachers of the handicapped.

Objectives for 1976: A new marketing and implementation strategy will be launched to insure that successful curricula, films, television, and other educational technology products are being efficiently and effectively used. Support for the Area Learning Resource Centers will be expanded; 80-100 new captioned films will be produced and distributed along with others now in circulation; development of captioned and cable television will continue, as will support of the National Theatre of the Deaf.

Activity: Media and resource services:
(b) Regional resource centers
(Education of the Handicapped Act,
Part C, section 621)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$7,087,000	$7,087,000	$18,000,000	$9,750,000

Purpose: To encourage and promote the development and application of exemplary appraisal and educational programming practices for handicapped children, the Regional Resource Center program was established. The Centers accomplish this task through demonstration, dissemination, training, financial assistance, staff expertise, and services. The Centers also act as a backup agent where State and local services in those areas are nonexistent or inadequate.

Explanation: Grants are awarded to institutions of higher education, State education agencies, or combinations of such agencies or institutions which may include one or more local education agencies, within particular regions of the United States. Projects are approved for periods of 36 months, but awards are made annually, and renewed on the basis of a Center's effectiveness and the availability of appropriations.

Accomplishments in 1975: In 1975 the Regional Resource Centers (RRC's) were reorganized into 13 regional centers with new guidelines aimed at the more severely handicapped and the unserved child. This reorganization effected the coordination of the RRC's with the Area Learning Resource Centers to form a more integrated facilitating factor in building State and local capacity to deliver special educational services. The RRC's concentrated on developing a capacity to respond to the needs of priority groups of handicapped children who up to now have been "hidden or excluded," e.g. inner city, and Hispanic-Americans.

Objectives for 1976: The RRC's will expand their identification, diagnostic, prescriptive, evaluative, placement, and technical assistance activities. They will also work with the State and local education agencies to promote the development of "direction centers," which will provide a one-stop general information service to match the child's total needs with available services, provide follow-up services and maintain service information on each child, stress program service evaluation, and generally act as a local advocate for their handicapped clients.

Activity: Media and resource services:
(c) Recruitment and information
(Education of the Handicapped Act,
Part D, section 633)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$500,000	$500,000	$500,000	$1,000,000[1/]

1/ Additional authorizing legislation to be proposed for fiscal year 1976.

Purpose: In order to encourage people to enter the field of special education, to disseminate information, and provide referral services for parents of handicapped children in order that they may be assisted in their attempts to locate appropriate educational programs for their children, this program provides grants and contracts.

Explanation: Discretionary project grants or contracts are awarded to public and nonprofit private organizations.

Accomplishments in 1975: The program provided 50,000 new parents with current program information through the CLOSER LOOK ads and mailings from the Special Education Information Center (SEIC), and reached 150,000 parents with the SEIC newsletter; established an intense campaign in the Southwest for various health and education referral and information services; conducted showings of a TV program to increase public awareness of the needs of the handicapped, and continued to target recruitment and information to increase the number of regular and special educators with an understanding of the needs of minority and bilingual handicapped children.

Objectives for 1976: The program will continue and expand activities supported in 1975, and will also set up 8 local information units which will operate somewhat like parent coalitions for the appropriate education of handicapped children; provide technical assistance to these 8 units; survey current recruitment and informational competencies to identify optimum sites for units; and conduct a Media Outreach Campaign for special populations.

Activity: Special education manpower development (Education of the Handicapped Act, Part D, sections 631, 632, and 634)

1975	1975	1976	
Estimate	Revised	Authorization	Amount
$37,700,000	$37,700,000	$52,000,000	$39,750,000

Purpose: In order to ensure an adequate supply of educational personnel competent to deal with the special educational problems of the handicapped, Part D of the Education of the Handicapped Act provides financial assistance through grants to institutions of higher education, State education agencies, and other appropriate nonprofit agencies, for the training of teachers, supervisors, administrators, researchers, teacher educators, speech correctionists and other special services, personnel such as specialists in physical education and recreation, music therapy, and paraprofessionals. Those personnel trained through this program not only provide direct educational services to handicapped children and youth, but also are involved with preparation of other educators and specialists.

Explanation: Project grants are made to State education agencies and institutions of higher education to assist them in developing and improving training programs for educational personnel for the handicapped.

Accomplishments in 1975: In fiscal year 1975, funds provided support for an estimated 566 projects serving approximately 25,220 students, at an average cost of $1,500 per student.

Objectives for 1976: The program will, in school year 1976-77, provide program support for 600 projects, including direct financial aid to over 30,000 students, teachers, and paraprofessionals.

Education for the Handicapped

State Grant Program

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/
Total	$47,492,173	$100,000,000	$47,500,000
Alabama	802,862	1,689,600	802,862
Alaska	200,000	297,224	200,000
Arizona	377,063	900,418	377,063
Arkansas	425,283	907,955	425,283
California	4,361,391	9,279,132	4,361,391
Colorado	516,770	1,142,175	516,770
Connecticut	654,995	1,387,278	654,995
Delaware	200,000	345,491	200,000
Florida	1,380,063	3,068,037	1,380,063
Georgia	1,071,928	2,292,399	1,071,928
Hawaii	200,000	418,582	200,000
Idaho	200,000	399,275	200,000
Illinois	2,449,176	5,148,004	2,449,176
Indiana	1,193,974	2,517,875	1,193,974
Iowa	634,995	1,332,112	634,995
Kansas	500,175	1,042,837	500,175
Kentucky	737,128	1,553,534	737,128
Louisiana	897,468	1,895,910	897,468
Maine	223,595	477,343	223,595
Maryland	890,413	1,910,231	890,413
Massachusetts	1,234,411	2,614,164	1,234,411
Michigan	2,085,038	4,414,966	2,092,865
Minnesota	893,353	1,889,037	893,353
Mississippi	545,643	1,157,947	545,643
Missouri	1,016,772	2,145,536	1,016,772
Montana	200,000	385,484	200,000
Nebraska	319,579	693,305	319,579
Nevada	200,000	334,459	200,000
New Hampshire	200,000	392,379	200,000
New Jersey	1,520,261	3,235,127	1,520,261
New Mexico	249,853	551,868	249,853
New York	3,780,074	7,940,709	3,780,074
North Carolina	1,180,908	2,495,845	1,180,908
North Dakota	200,000	364,798	200,000
Ohio	2,415,753	5,067,693	2,415,753
Oklahoma	554,652	1,177,989	554,652
Oregon	457,842	981,197	457,842
Pennsylvania	2,507,390	5,[illegible]47,590	2,507,390
Rhode Island	203,971	430,827	203,971
South Carolina	636,848	1,350,514	636,848

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/
Total			
South Dakota	200,000	373,762	200,000
Tennessee	874,558	1,850,935	874,558
Texas	2,603,529	5,578,170	2,603,529
Utah	271,693	593,015	271,693
Vermont	200,000	317,220	200,000
Virginia	1,059,202	2,264,504	1,059,202
Washington	766,739	1,602,452	766,739
West Virginia	382,548	796,267	382,548
Wisconsin	1,030,782	2,181,611	1,030,782
Wyoming	200,000	288,950	200,000
District of Columbia	200,000	363,419	200,000
American Samoa	70,000	(	70,000
Guam	115,000	(	115,000
Puerto Rico	728,495	(1,941,899	728,495
Trust Territory	115,000	(	115,000
Virgin Islands	115,000	(	115,000
Bureau of Indian Affairs	240,000	970,950	240,000

1/ Distribution estimated on the basis of the 3-21 population, April 1, 1970, with a minimum of $200,000,000; three percent of the 50 States and D.C. amount reserved for the outlying areas.

2/ The distribution is the sum of the fiscal year 1974 allotment, with the balance ratably reduced from the estimated fiscal year 1975 authorization ($666,312,150), which is based on the aged 3-21 population multiplied by $8.75.

Education for the Handicapped

State Grant Program

State or Outlying Area	1976 Estimate 1/	1976 Revised 1/	1977 Estimate 1/
Total	$100,000,000	$50,000,000	$50,000,000
Alabama	1,688,191	812,056	812,056
Alaska	300,000	300,000	300,000
Arizona	996,374	479,277	479,277
Arkansas	918,922	442,021	442,021
California	9,362,505	4,503,561	4,503,561
Colorado	1,190,661	572,733	572,733
Connecticut	1,394,136	670,609	670,609
Delaware	300,000	300,000	300,000
Florida	3,213,602	1,545,811	1,545,811
Georgia	2,323,561	1,117,682	1,117,682
Hawaii	416,141	300,000	300,000
Idaho	379,384	300,000	300,000
Illinois	5,138,089	2,471,529	2,471,529
Indiana	2,520,472	1,212,400	1,212,400
Iowa	1,327,186	638,405	638,405
Kansas	1,033,131	496,958	496,958
Kentucky	1,554,291	747,647	747,647
Louisiana	1,900,856	914,352	914,352
Maine	483,091	300,000	300,000
Maryland	1,941,551	933,927	933,927
Massachusetts	2,626,805	1,263,549	1,263,549
Michigan	4,435,769	2,133,698	2,133,698
Minnesota	1,895,665	911,826	911,826
Mississippi	1,165,719	560,735	560,735
Missouri	2,148,965	1,033,698	1,033,698
Montana	353,129	300,000	300,000
Nebraska	711,508	342,251	342,251
Nevada	300,000	300,000	300,000
New Hampshire	366,256	300,000	300,000
New Jersey	3,264,800	1,570,437	1,570,437
New Mexico	574,983	300,000	300,000
New York	7,921,110	3,810,221	3,810,221
North Carolina	2,503,407	1,204,191	1,204,191
North Dakota	313,746	300,000	300,000
Ohio	5,048,822	2,428,590	2,428,590
Oklahoma	1,186,722	570,839	570,839
Oregon	996,374	479,277	479,277
Pennsylvania	5,216,853	2,509,416	2,509,416
Rhode Island	431,893	300,000	300,000
South Carolina	1,358,692	653,560	653,560

State or Outlying Area	1976 Estimate 1/	1976 Revised 1/	1977 Estimate 1/
Total	$100,000,000	$50,000,000	$50,000,000
South Dakota	330,812	300,000	300,000
Tennessee	1,858,848	894,145	894,145
Texas	5,663,187	2,724,112	2,724,112
Utah	611,740	300,000	300,000
Vermont	300,000	300,000	300,000
Virginia	2,294,680	1,103,790	1,103,790
Washington	1,591,048	765,328	765,328
West Virginia	787,648	378,875	378,875
Wisconsin	2,190,973	1,053,904	1,053,904
Wyoming	300,000	300,000	300,000
District of Columbia	311,121	300,000	300,000
Puerto Rico	1,566,542	753,540	753,540
American Samoa	(	(	(
Guam	(	(	(
Trust Territory	(990,099	(495,050	(495,050
Virgin Islands	(	(	(
	(	(	(
Bureau of Indian Affairs	(	(	(

1/ Distribution estimated on the basis of the 3-21 population, 7/1/73 (4/1/70, Puerto Rico), with a minimum of $300,000. 1% of 50 States, D.C. and Puerto Rico amount reserved for the outlying areas.

Estimate for July 1 - September 30, 1976 period

Amounts Available for Obligation

	1976 Revised	Estimate July 1 - Sept. 30, 1976
Appropriation	$225,000,000	$13,100,000
Proposed rescission	-50,000,000	---
Total, obligations	175,000,000	13,000,000

Obligations by Activity

Activity	1976 Revised	Estimate July 1 - Sept. 30, 1976
State assistance	$ 69,250,000[1]	$ ---
Innovation and development:		
(a) Early childhood education	22,000,000	2,500,000
(b) Specific learning disabilities	4,250,000	100,000
(c) Regional vocational, adult, and postsecondary programs	2,000,000	---
(d) Research and demonstration	11,000,000	2,500,000
Media and resource services:		
(a) Media services and captioned films	16,000,000	8,000,000
(b) Regional resource centers	9,750,000	---
(c) Recruitment and information	1,000,000	---
Special education manpower development	39,750,000	---
TOTAL	175,000,000	13,100,000

1/ Reflects requested rescission of $50,000,000 from the 1975 advance appropriation for 1976 of $100,000,000 in the State grant program.

Obligations by Object

	1976 Revised	Estimate July 1 - Sept. 30, 1976
Travel and transportation of persons........................	$ 23,000	$ ---
Transportation of things...........	1,000	---
Rent, communications, and utilities........................	6,000	---
Printing and reproduction..........	10,000	---
Other services:		
Project contracts.............	42,971,000	10,600,000
Supplies and materials.............	5,000	---
Equipment..........................	14,000	---
Grants, subsidies, and contributions....................	131,970,000[1]	2,500,000
Total obligations by object....	175,000,000	13,100,000

[1] Reflects requested rescission of $50,000,000 from the 1975 advance appropriation for 1976 of $100,000,000 in the State grant program.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Innovation and development:		
(d) Research and demonstration..........	$ 11,000,000	$ 2,500,000

Narrative

An amount of $2,500,000 is requested to fund this program during the interim period. Obligations for this program are made on a continuous basis throughout the fiscal year, and it is expected that about one quarter of the 1976 appropriated level will be necessary for funding continuation grants and contracts for activities conducted at 5 research and demonstration centers. These centers are concentrating their efforts on the programmatic specialties of early childhood education, career education, the severely handicapped, personnel development and physical education and recreation.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Media and resource services:		
(a) Media services and captioned films..................	$ 16,000,000	$ 8,000,000

Narrative

An amount of $8,000,000 is requested for the interim period to fund this program. This amount represents continuation grants to the 13 Area Learning Resource Centers, 4 special category centers for instructional media designed for specific handicapping conditions, and one grant for the National Center on Educational Media and Materials for the Handicapped. These Centers comprise a portion of a National delivery system of educational media and materials to handicapped children and their teachers.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Media and resource services:		
(b) Regional resource centers...........	$ 9,750,000	---
(c) Recruitment and information........	1,000,000	---
Special education manpower development.........................	39,750,000	---

Narrative

These programs are forward funded, and normally incur obligations in the period of April through June; therefore, no funds are needed during the interim budget period.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
State assistance	$69,250,000*	---

* Reflects a requested rescission of $50,000,000 from the 1975 advance appropriation for 1976 in the State grant program.

Narrative

The programs in this activity are: (a) State grant program, (b) Deaf-blind centers, and (c) Severely handicapped projects.

The State grant program is an advance funded program. The entire 1976 advance appropriation, which will cover the grant period, July 1, 1976 to June 30, 1977, will be made available to the States during the interim period. The appropriation to cover the next grant period, July 1, 1977 to June 30, 1978, will be requested in the regular fiscal year 1977 budget and no new appropriation action will be required during the interim period.

The Deaf-blind center program and the Severely handicapped projects are forward-funded programs, and will not need any new funds until spring of 1977, which will be requested in the regular fiscal year 1977 budget.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Innovation and development:		
(a) Early childhood education	$ 22,000,000	$ 2,500,000
(b) Specific learning disabilities	4,250,000	100,000

Narrative

These programs normally incur obligations during the last quarter of the fiscal year (April-June). This request for $2,500,000 in Early childhood education and for $100,000 in the Specific learning disabilities program is made for some special projects to be funded during this period.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Innovation and development:		
(c) Regional, vocational, adult, and postsecondary programs	$ 2,000,000	---

Narrative

This program is forward-funded and does not normally incur obligations until the quarter extending from April through June; therefore, no funds are necessary during the interim budget period.

Occupational, Vocational, and Adult Education

STATEMENT OF DR. WILLIAM F. PIERCE, DEPUTY COMMISSIONER FOR OCCUPATIONAL AND ADULT EDUCATION

ACCOMPANIED BY:

- **DR. T. H. BELL, COMMISSIONER OF EDUCATION**
- **DR. WILLIAM L. SMITH, DIRECTOR, TEACHER CORPS**
- **DR. CHARLES H. BUZZELL, ASSOCIATE COMMISSIONER FOR ADULT, VOCATIONAL, TECHNICAL AND MANPOWER EDUCATION**
- **PAUL V. DELKER, DIRECTOR, ADULT EDUCATION**
- **DR. WILLIAM T. CARTER, DIRECTOR, EDUCATIONAL SYSTEMS DEVELOPMENT**
- **CORA P. BEEBE, ACTING BUDGET DIRECTOR**
- **WILLIAM DINGLEDEIN, OFFICE OF THE COMPTROLLER**

BUDGET REQUEST

Senator Brooke. The next item before us is the budget request for Occupational, Vocational, and Adult Education.

According to the budget, HEW is asking for $113 million in regular appropriations and $7 million for the permanent appropriations. The remainder, $523 million, will be requested later under proposed legislation.

In total, this represents a $34 million reduction below last year's appropriation.

Dr. Pierce is here to explain the request to us.

Would you introduce your associates and then proceed?

Dr. Pierce. On my extreme right is Dr. William Smith, Director of the Teacher Corps; next to him is Dr. Charles H. Buzzell, Associate Commissioner for Adult, Vocational, Technical and Manpower Education; next to him is Paul Delker, Director, Adult Education; and over here, of course, is Dr. Bell. Next to him is William Carter, Director, Educational Systems Development and the rest of the people I don't think I need to introduce.

Senator Brooke. How long is your statement?

Dr. Pierce. It is rather short, about four pages.

Senator Brooke. Fine, why don't you give your statement as prepared and then we will get to the questioning.

Dr. Pierce. Thank you.

Mr. Chairman and members of the committee, thank you for the opportunity to present our budget request for occupational, vocational and adult education for fiscal year 1976. The total request of $120,373,455 includes $7,161,455 for the permanent vocational education appropriation; $37,500,000 for Teacher Corps activities; $5,212,000 for the fifth and final year of operation of the urban-rural projects; $3,000,000 for a new educational leadership initiative; and, $67,500,000 for advance funding of ongoing activities in adult education.

VOCATIONAL EDUCATION

In terms of vocational education; in the President's budget request for 1976, we have indicated our intention to submit, at a later date, a budget request contingent upon enactment of legislation to consolidate the present vocational education categorical programs. This new legislation proposes a shift in the type of assistance to be provided.

Essentially, the legislation is based on the premise that support for basic occupational and vocational education services is a State and local responsibility and that the appropriate Federal role, which is limited in scope and funding, should be directed to efforts to build the capacity of the States and LEA's to offer such services, and to provide them with improved alternative educational approaches, products and processes. Assistance will shift substantially from general support to innovative projects.

ADULT EDUCATION

For adult education; we are requesting $67.5 million on an advance funding basis for use in school year 1976–77. These funds will allow the States to provide skill training in reading, writing, and speaking the English language to about 1 million adults with less than a high school level of education. Persons participating in these programs will improve their capacity to benefit from occupational training and will increase their opportunities for more productive and profitable employment to better meet their adult responsibilities.

To promote effective adult education programs, at least $10 million will be used by the States for special projects demonstrating the use of innovative methods, systems, materials, or programs and for State-funded teacher training opportunities for persons engaged in or preparing to engage in adult education programs.

The $37.5 million requested in fiscal year 1976 for the teacher corps program is the same as the 1975 level. With these funds the teacher corps will continue the implementation of the changes called for in the Education Amendments of 1974, which shifted the focus of the corps. Previously, the bulk of the effort went to the recruitment and training of teacher interns for schools serving low-income populations, with some retraining of experienced teachers occurring.

Now, projects concentrate retraining efforts around smaller intern groups serving the same populations and involving cooperative efforts among the local school district, a college or university, and the local community. The purpose is to demonstrate the effectiveness of various strategies toward improving the skills of teachers in those schools as a means of improvement in the quality of education. The change in program direction is shown in the following figures: In 1974, 2,430 interns and 951 experienced teachers received training. In 1975, there are 1,873 interns and 2,154 experienced teachers participating and in 1976, we estimate that 950 interns and 3,770 regular teachers will be enrolled.

PERSONNEL DEVELOPMENT

Our request is $8,212,000 for educational personnel development and includes $5,212,000 for final support to phase out the 5-year urban-rural demonstration effort involving 31 projects and 3,500 school staff and community members. No funds are requested for the other previously funded specialized educational personnel activities since they have either completed their authorized funding periods or financial assistance for persons interested in those fields is now available through funding under other appropriations within the education budget.

EDUCATIONAL LEADERSHIP

The remaining $3 million is requested to initiate training projects to improve the management and planning capabilities of elementary and secondary school principals, especially those in urban areas serving large numbers of disadvantaged students. This new educational leadership program will address the needs of the principal who, as the key to the climate and conduct of the school with increased decentralization of decisionmaking authority, community involvement and accountability demands, has a need for more and improved management, planning, and evaluation skills than his previous education and experience have generally afforded. By giving principals these management skills, the program is expected to yield significantly improved educational performance at the level of the individual school.

This concludes my statement and we will be happy to answer any questions you may have.

Senator **Brooke**. Now, there is a lot or money going into this public service jobs program. In fact, it totals more than $5 billion.

Now, this may or may not be a solution to the problem, but don't you think an investment in vocational training would be better over the long run?

Dr. **Pierce**. That is a tradeoff that one makes. In terms of the long run, I think you are probably right.

In terms of the immediate needs of the individual who are unemployed and who are heads of households in general, and have a family to sustain—and one has to worry about their immediate income—it may not be right. I think that we could, however, marry those two activities in providing occupational training of a long-term nature to those people even while they are enrolled in the employment service programs or in the program you just mentioned, Senator, the public service program.

For example, it is certainly conceivable that one day out of each week, someone on the part of the public service program could receive vocational training either in that public service job or in some other occupation, and this is in the legislation——

Senator **Brooke**. Excuse me, Dr. Pierce, but you mentioned proposing some legislation to consolidate the vocational education program?

Dr. **Pierce**. Yes.

Senator **Brooke**. There are only 3 months left, as you know, in the fiscal year and no legislation is near enactment. Aren't these programs still covered under existing law?

Dr. **Pierce**. Parts of the existing law expire at the end of this year. Our assumption is that the automatic year extension will go into effect at that time and——

Senator **Brooke**. Well, why don't you continue funding them until the present law expires?

Dr. **Pierce**. Mr. Chairman, if it becomes obvious that the legislation simply cannot be passed, we will then make a request to this committee, based upon the old categories of the existing legislation, so that you will know exactly how we propose to spend those funds.

Senator Brooke. Are you prepared to give us a budget request which we can act on soon?

Dr. Pierce. Yes.

Senator Brooke. How soon?

Dr. Pierce. We can provide, if you like, Mr. Chairman, a breakdown of our requests on the basis of the existing legislation right now for the record, and then in the event that you wish to act upon that rather than upon the potential legislation, you will have that available.

Senator Brooke. It would be helpful to us if we can get that in the meantime.

Dr. Pierce. We have that for you and we can provide that for the record, if you would like that at this point.

Senator Brooke. All right, without objection that will be placed in the record. Thank you for submitting that. Do you have it here?

Dr. Pierce. Yes; it is in pencil if you can accept it in that form?

Dr. Bell. Can you read the writing?

Senator Brooke. That is fine.

[The information follows:]

Proposed funding of vocational education activities under existing legislation—fiscal year 1976

Activity	*Amount*
Grants to States for vocational education programs:	
(a) Basic vocational education programs:	
(1) Annual	$405,347,000
(b) Programs for students with special needs	20,000,000
(c) Consumer and homemaking education	27,994,000
(d) Work-study	7,849,000
(e) Cooperative education	19,500,000
(f) State advisory councils	4,316,000
Subtotal	485,006,000
Vocational research:	
(a) Innovation	16,000,000
(b) Curriculum development	4,000,000
(c) Research	18,000,000
Subtotal	38,000,000
Total	523,006,000
Total with permanent appropriation	530,167,455

VOCATIONAL EDUCATION ENROLLMENTS

Senator Brooke. Now, enrollments are expected to increase from 9.1 million to 9.9 million students this year. Why do you propose to cut the State-grant programs by $140 million below last year's appropriation, then?

And incidentally, who is to pick up the amount that you propose to cut?

Dr. Pierce. The cut is in a sense a paper cut, Mr. Chairman. The money will still go back to the States. It will go in a different form, however.

It will not go in the State-grant mode, but will go as an incentive grant to meet particular needs and provide funds so they can address themselves to the needs of the States that are not now being met. What has happened——

Senator Brooke. Excuse me, but either the schools or the States would have to pick up the slack?

Dr. **Pierce.** In the State-grant program?

Senator Brooke. Yes.

Dr. **Pierce.** They would have to pick up the slack, that is, the States or the local level would have to pick up the difference.

Senator Brooke. Well, do you expect the States to be in a position to pick up that slack?

Dr. **Pierce.** The States are certainly better off than——

Senator Brooke. Than the schools?

Dr. **Pierce.** In terms of their budget, yes, than the schools in many instances. The problem we have, Mr. Chairman, and what we are proposing in the legislation is that the Federal funds often get lost and cannot be traced when combined with State and local funds. We can't say to you and the members of this committee what is really occurring and what changes are really taking place by virtue of the Federal funds.

PROPOSED LEGISLATION

Our proposals would therefore shift the emphasis from the maintenance of ongoing programs and the maintaining of existing activities to incentive grants for new programs that would address themselves to the needs that exist in vocational education. For example, the problem of insufficient program activity in the urban centers, you see, there are far too many young people in urban centers who are not involved in vocational education programs. They have just not been made available to them.

But, the concern is being expressed, naturally, about the sex role stereotyping that occurs in vocational education. These funds could be used to address that issue.

So, there are a whole host of issues. We have the issue of rural manpower and the migrant problem and that hasn't been addressed properly. My feeling is if the Federal dollar is focused and is really addressed to the capacity building rather than to the maintenance of ongoing programs, once they are established, that the Federal dollar will then be used in a much more effective way than it is now where it is just getting melded into the basic program.

That is the essence of our legislative proposal.

Senator Brooke. I apologize, but I have to go upstairs to handle a matter that affects you and me, namely, your taxes, and we will take a very short recess. I apologize.

[Brief recess.]

Senator Brooke. The subcommittee will come to order, gentlemen.

STATE ADMINISTRATION

Dr. Pierce, most of the education programs have a limitation on the amount of money the States can use for administrative costs, namely, 5 percent. The vocational education programs do not have a limitation. Some States are using 7 percent of the funds for administration.

Do you think the law should include a limitation?

Dr. **Pierce.** I've thought about that quite a lot, Senator, particularly in view of the GAO report, and their criticism. We did a special analysis of this data because GAO didn't have the data and we wanted to really determine how much of the part B money was being spent for administration.

We find that across the Nation an average of 7½ percent of all part B money is being used for State administration. Now, with that 7½ percent most States are providing quite a lot of services to their constituents. Many of the school districts that provide vocational education are small and don't have their own staffs and curriculum and research specialists and so forth, so that for me, an average of 7½ percent is certainly not out of line.

I would really hate to see a 5-percent minimum, because I think all of us would lose and the services would not be provided to enough people.

However, I've got to admit that that percentage varies widely from State to State and some States use 22 percent of their total funds. In some States, all of their administration is supported with Federal funds and there is no State money used for State administration. So that I would favor some kind of congressional expression of intent.

Senator Brooke. Short of a limitation?

Dr. Pierce. Short of saying a 5-percent limitation, which I think in the long run would cause this committee and other interested committees to call us back 5 years from now and way "Why aren't the States providing the kind of leadership they ought to be providing?" And we would have to say, "Because there is a limit to the amount of money they can spend."

Senator Brooke. Do you think language of intent will be effective here?

Dr. Pierce. I certainly know it would be particularly effective if we, at our level, had some guidance. You see, right now the way the law is written, the matching provision of 50–50, is across the board statewide for all purposes. So that you can spend 100 percent Federal funds in one area and nothing in another, just so long as the overall-State and local match is at least equal to $1 of State funds for every $1 of Federal money.

One solution might be that you want at least a 50–50 match for State administration and you could provide that match for that purpose as well as for all other purposes, Senator. And that, it seems to me, would be what the Congress intended.

If we had your expression of intent, we would then have some reason for controlling the amount of Federal funds spent for this purpose. Right now, we just have no authority for monitoring and supervising this in such a way that we can keep States from doing it. They are within the law.

EVALUATION OF VOCATIONAL EDUCATION

Senator Brooke. Do you have an evaluation procedure?

Dr. Pierce. Yes, we have an evaluation procedure. It is limited, because our human resources are limited, but we have a program review process which is evaluative in nature. It is a team that visits States on a selective basis. The last 2 years, we have monitored the management of 13 States. We send this team to a State for at least a week to do a total review of that State's operation, and what is going on and what is happening there and make recommendations for improvement to the States.

In addition to that, we monitor our discretionary research projects.

We also have regional staff working with the States in their regions on a more frequent basis to provide technical assistance for program improvement.

Senator **Brooke**. Has it proved valuable to you?

Dr. **Pierce**. The program review visits?

Senator **Brooke**. Your general evaluation.

Dr. **Pierce**. I think it has proved valuable, Senator. The thing I guess we find frustrating is that the law is permissive and that yet we seem to be expected to require the States to do things that the law doesn't require.

My hope is, that Congress will perhaps tighten up those areas in terms of the law so that our responsibility is then clear so that we can go in and do the job. I think you and many people are asking us to do it in that manner.

But, right now it is really very broad and that puts us on the horns of a dilemma because you expect us to do certain things and we go out and the State says, "This is what the law says" and you know, they can read it as well as we can.

Senator **Brooke**. Was GAO critical of your evaluation?

Dr. **Pierce**. Yes, they were. They felt we were not being prospective enough.

Senator **Brooke**. Can you give us an idea of what studies people are enrolling in?

Dr. **Pierce**. Yes, sir, we have a breakdown by program and I can give it to you, either on a part-by-part basis, with the parts of the act, or——

Senator **Brooke**. Why don't you submit it for the record.

Dr. **Pierce**. Fine, we have that data and I have it here, and I will provide it for you.

Senator **Brooke**. All right, submit that for the record then and that will be received for the record.

[The information follows:]

ENROLLMENT IN VOCATIONAL EDUCATION, BY PROGRAM, LEVEL, AND TARGET GROUP
FISCAL YEAR 1973 1/

Program	Total	Secondary	Post-secondary	Adult Preparatory	Adult Supplemental	Adult Apprenticeship	Cooper tiv
Grand Total (Unduplicated)	12,072,445	7,353,962	1,349,731	595,329	2,596,258	177,165	508,4
Agriculture	927,[illegible]	621,051	40,568	6,937	258,455	580	32,8
Distribution	738,547	303,272	105,916	73,845	255,228	286	171,9
Health	421,075	75,596	192,612	43,708	108,758	401	21,5
Home Ec. (Gainful)	322,696	183,936	38,002	28,160	72,257	341	28,1
Office	2,499,095	1,599,665	379,536	189,553	328,351	1,990	105,9
Technical	364,044	38,545	201,173	26,922	97,653	1,751	7,4
Trades & Industry	2,702,238	1,134,280	345,065	185,377	864,731	172,785	115,7
Special Programs	1,114,265	1,037,714	36,775	26,553	15,209	14	21,1
Prevocational	954,461	937,699	7,662	7,971	1,129	-	8,4
Prepostsecondary	6,590	6,590	-	-	-	-	
Remedial	85,951	38,944	21,863	14,053	11,077	14	6,2
Other N.E.C.	67,263	54,481	7,250	2,529	3,003	-	6,4
Consumer & Homemkg.	3,193,987	2,503,230	30,075	37,797	622,865	20	4,8
Disadvantaged	1,601,634	1,122,576	184,878	73,422	216,838	3,920	
Handicapped	228,[illegible]96	161,635	30,736	15,401	19,963	351	

1/ Latest year data has been compiled.

ENROLLMENT AND COMPLETIONS IN VOCATIONAL EDUCATION BY OE INSTRUCTIONAL PROGRAM
FISCAL YEAR 1973 1/

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Completions	Left Prior to Completion
Grand Total (Unduplicated)		12,072,445	7,353,962	1,349,731	2,596,258	2,285,720	132,948
01.	Agriculture*	927,591	621,051	40,568	265,972	138,207	8,729
01.0100	Agri. Production	561,868	337,849	14,820	209,199	65,051	4,234
01.0200	Agri. Supplies/Services	27,245	21,783	2,884	2,578	7,991	365
01.0300	Agri. Mechanics	144,661	113,092	4,461	27,108	25,876	1,893
01.0400	Agri. Products	11,999	8,293	522	3,184	2,748	77
01.0500	Ornamental Horticulture	70,592	47,048	8,553	14,991	17,110	956
01.0600	Agri. Resources	27,520	19,001	3,522	4,997	5,349	283
01.0700	Forestry	18,617	14,526	3,388	703	4,825	279
01.9900	Other	65,089	59,459	2,418	3,212	8,833	611
04.	Distribution*	738,547	303,272	105,916	329,359	208,226	15,063
04.0100	Advertising Services	20,851	7,624	7,402	5,825	6,642	229
04.0200	Apparel & Accessories	24,103	16,993	3,848	3,262	8,996	447
04.0300	Automotive	10,043	7,775	692	1,576	3,655	229
04.0400	Finance & Credit	33,821	3,583	5,429	24,809	6,324	382
04.0500	Floristry	6,615	1,694	332	4,589	2,305	72
04.0600	Food Distribution	32,345	19,174	1,859	11,312	13,393	588
04.0700	Food Services	42,707	19,495	2,922	20,290	14,202	757
04.0800	General Merchandise	239,168	132,584	31,666	74,918	64,104	3,560
04.0900	Hdwe., Bldg. Mtls., etc.	6,373	3,948	193	2,232	2,859	158
04.1000	Home Furnishings	6,061	2,322	445	3,294	2,238	64
04.1100	Hotel & Lodging	13,468	1.776	4,046	7,646	4,102	275
04.1200	Industrial Marketing	12,543	2,042	4,574	5,927	3,917	75

* Unduplicated Total

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Comple-tions	Left Prior to Comple-tion
04.1300	Insurance	16,982	1,306	1,433	14,243	3,572	164
04.1400	International Trade	889	215	60	614	211	14
04.1500	Personal Services	19,219	7,763	1,061	10,395	6,783	192
04.1600	Petroleum	5,341	4,412	253	676	2,339	172
04.1700	Real Estate	113,153	1,216	23,751	88,186	28,065	5,124
04.1800	Recreation & Tourism	17,689	2,640	4,063	10,986	3,230	137
04.1900	Transportation	15,746	2,735	5,012	7,999	4,383	139
04.9900	Other	101,430	63,975	6,875	30,580	26,318	2,261
07.	Health*	421,075	75,596	192,612	152,867	128,889	5,203
07.0101	Dental Assistant	16,895	5,270	8,393	3,232	6,589	262
07.0102	Dental Hygienists (Asso.)	5,523	143	4,654	726	1,284	30
07.0103	Dental Lab. Technician	3,748	640	2,453	655	931	32
07.0203	Medical Lab. Assisting	11,412	2,010	7,023	2,379	2,741	129
07.0299	Other Med. Lab. Technol.	2,941	174	1,992	775	627	41
07.0301	Nurse, Associate Degree	77,912	697	56,924	20,291	17,390	936
07.0302	Practical (Voc.) Nurse	93,827	8,668	59,062	26,097	32,436	1,617
07.0303	Nurses' Assistants (Aide)	74,975	24,969	10,487	39,519	32,497	780
07.0401	Occupational Therapy	1,721	172	1,108	441	407	15
07.0402	Physical Therapy	1,713	224	1,338	151	527	9
07.0501	Radiologic Techhology	7,316	304	5,813	1,199	1,992	105
07.0700	Environmental Health	1,785	387	813	585	379	13
07.0800	Mental Health Technology	6,555	174	5,761	620	1,413	169
07.0903	Inhalation Therapy Tech.	5,774	133	4,346	1,295	1,677	71
07.0904	Medical Assistant	14,422	3,656	6,196	4,570	3,554	119
07.0906	Health Aide	10,165	6,512	1,401	2,252	4,232	62
07.9900	Other	84,391	21,643	14,848	48,080	19,673	789

* Unduplicated Total

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Comple-tions	Left Prior to Comple-tion
09.0100	Consumer & Homemaking*	3,193,987	2,503,230	30,075	660,682	479,918	11,848
09.0102	Child Development	172,976	121,860	5,271	45,845	30,019	616
09.0103	Clothing & Textiles	398,272	180,040	1,879	216,353	71,635	1,600
09.0104	Consumer Education	130,164	78,697	1,836	49,631	17,357	163
09.0106	Family Relations	209,973	179,109	2,246	28,618	47,896	981
09.0107	Food & Nutrition	303,454	209,245	1,794	92,395	45,029	703
09.0108	Home Management	60,931	38,460	161	22,310	5,561	174
09.0109	Housing & Home Furnishings	119,029	53,186	421	65,422	16,580	294
09.0199	Other	1,799,188	1,642,633	16,467	140,088	245,841	7,317
09.0200	Home Economics (Gainful)*	322,696	183,936	38,002	100,758	101,485	5,542
09.0201	Care & Guid. of Children	83,202	40,304	23,381	19,517	23,702	2,210
09.0202	Clothing Mgt., Prod., Serv.	63,347	27,525	4,078	31,744	18,984	762
09.0203	Food Mgt., Prod., & Serv.	93,696	59,717	5,644	28,335	30,230	1,357
09.0204	Home Furn., Equip., Serv.	20,209	5,599	2,148	12,462	7,833	488
09.0205	Inst. & Home Mgt., & Sup.	12,612	6,922	695	4,995	3,954	221
09.0299	Other	50,517	43,869	2,056	4,592	16,557	495
14.	Office Occupations*	2,499,095	1,599,665	379,536	519,894	572,453	32,702
14.0100	Accounting & Computing	385,622	244,402	76,632	84,588	79,644	5,170
14.0200	Bus. Data Process. Sys.	155,804	57,092	56,860	41,852	39,221	3,324
14.0300	Filing, Office Machines	429,644	329,106	38,805	61,733	147,883	6,137
14.0400	Info., Communic. Occup.	29,640	13,401	7,095	9,144	9,282	395
14.0500	Mtls. Support, Trans., etc.	8,636	3,651	2,194	2,791	2,252	116

* Unduplicated Total

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Comple-tions	Left Prior to Comple-tion
14.0600	Personnel, Trg., & Related	20,631	6,405	8,327	5,899	4,266	167
14.0700	Steno., Secy., & Related	606,065	379,100	100,092	126,873	143,738	7,347
14.0800	Supervisory & Admin. Mgt.	84,368	9,522	44,608	30,238	10,212	2,568
14.0900	Typing & Related	628,758	465,175	27,628	135,955	111,399	6,006
14.9900	Other	149,927	111,811	17,295	20,821	21,168	1,335
16.	Technical*	364,044	38,245	201,173	124,326	65,932	7,458
16.0101	Aeronautical Technology	6,090	1,276	3,543	1,271	1,330	75
16.0103	Architectural Technology	16,050	1,894	10,586	3,570	3,075	757
16.0104	Automotive Technology	9,292	696	6,967	1,629	1,404	363
16.0105	Chemical Technology	5,029	1,206	2,238	1,585	997	186
16.0106	Civil Technology	26,116	1,602	12,639	11,875	4,330	490
16.0107	Electrical Technology	16,510	2,637	8,333	4,426	2,602	268
16.0108	Electronics Technology	68,877	10,332	38,714	19,381	13,673	1,620
16,0109	Electromechanical Technol.	4,366	565	2,830	971	870	85
16.0110	Environ. Control Technol.	6,603	398	3,717	2,488	1,052	108
16.0111	Industrial Technology	11,018	112	5,048	5,858	911	266
16.0112	Instrumentation Technol.	3,376	552	1,399	1,425	745	98
16.0113	Mechanical Technology	25,802	1,791	15,521	8,490	4,034	598
16.0114	Metallurgical Technology	2,420	100	1,709	611	385	44
16.0117	Scientific Data Technology	15,849	3,674	7,980	4,195	3,787	300
16.0601	Commercial Pilot Training	5,507	164	3,342	2,001	1,098	123
16.0602	Fire & Safety Technology	10,218	71	5,092	5,055	1,325	167
16.0603	Forestry Technology	2,097	277	1,527	293	629	15
16.0604	Oceanographic Technology	2,430	270	1,735	425	490	54
16.0605	Police Science Technology	53,084	990	35,583	16,511	9,381	969
16.9901	Air Pollution Technology	763	8	388	367	187	14
16.9902	Water & Waste Water Technol.	1,298	206	430	662	978	77
16.9900	Other	71,245	9,728	31,844	29,673	12,498	724

* Unduplicated Total

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Comple-tions	Left Prior to Comple-tion
17.	Trade and Industrial*	2,702,238	1,134,280	345,065	1,222,893	591,518	46,059
17.0100	Air Conditioning	63,921	16,934	16,356	30,671	15,064	1,547
17.0200	Appliance Repair	14,761	7,335	2,994	4,387	4,259	336
17.0301	Body & Fender, Auto	54,738	28,625	13,040	13,073	14,919	1,245
17.0302	Mechanics, Auto	273,880	165,151	36,750	71,979	70,313	5,338
17.0399	Other Automotive	49,525	23,858	2,472	23,195	15,081	751
17.0400	Aviation Occup.	28,673	8,602	9,733	10,338	7,035	540
17.0500	Blueprint Reading	12,857	1,527	744	10,586	2,306	199
17.0600	Business Machine Maint.	3,354	1,290	1,237	827	846	148
17.0700	Commercial Art Occup.	31,681	14,160	9,852	7,669	6,753	1,070
17.0800	Commercial Fishery Occup.	3,544	577	225	2,742	746	41
17.0900	Commercial Photog. Occup.	19,314	5,752	5,604	7,958	3,680	436
17.1001	Carpentry	110,181	56,272	9,952	43,957	28,356	1,881
17.1002	Electricity	65,997	22,408	5,668	37,921	12,970	1,176
17.1004	Masonry	34,593	19,257	2,824	12,512	8,881	795
17.1007	Plumbing & Pipefitting	40,195	5,707	1,747	32,741	7,016	636
17.1099	Other Constr. & Maint.	107,421	61,639	5,260	40,582	18,446	1,501
17.1100	Custodial Services	16,070	7,016	610	844	4,055	344
17.1200	Diesel Mechanic	14,072	2,886	6,632	4,554	3,734	460
17.1300	Drafting Occup.	139,449	96,794	25,637	17,018	27,595	2,325
17.1400	Electrical Occup.	105,584	30,048	6,733	68,803	12,945	940
17.1500	Electronic Occup.	108,373	52,407	19,286	36,680	25,877	2,268
17.1600	Fabric Maint. Services	6,672	2,199	439	4,034	1,872	152
17.1700	Foremanship, Super., & Mgt. Devel.	112,282	644	6,800	104,818	13,813	273
17.1900	Graphic Arts Occup.	72,061	48,478	9,508	14,075	15,431	1,049
17.2000	Industrial Atomic Energy	271	210	21	40	100	18
17.2100	Instr. Maint. & Repair	2,971	695	1,027	1,249	611	82

* Unduplicated Total

OE Instructional Code and Title		Total	Secondary	Post-secondary	Adult	Comple-tions	Left Prior to Comple-tion
17.2200	Maritime Occup.	7,852	1,233	512	6,107	854	91
17.2300	Metalworking Occup.	316,573	131,405	45,152	140,026	68,209	6,710
17.2400	Metallurgy Occup.	3,707	1,401	576	1,730	512	245
17.2601	Barbering	4,399	795	1,106	2,498	1,027	90
17.2602	Cosmetology	56,031	36,417	11,564	8,050	18,105	999
17.2699	Other Personal Services	14,472	9,853	420	4,199	1,258	541
17.2700	Plastics Occup.	6,526	4,353	527	1,646	1,629	65
17.2801	Fireman Training	209,190	199	5,668	203,323	37,372	187
17.2802	Law Enforcement Trg.	94,873	2,961	36,115	55,797	25,242	1,591
17.2899	Other Public Services	51,220	3,818	5,971	41,431	18,648	1,692
17.2900	Quantity Food Occup.	36,961	18,357	6,573	12,031	10,600	891
17.3000	Refrigeration	8,818	1,947	1,267	5,604	2,000	427
17.3100	Small Engine Repair	31,915	17,160	2,221	12,534	8,359	452
17.3200	Sta. Energy Sources Occup.	8,958	446	115	8,397	816	70
17.3300	Textile Prod. & Fab.	59,559	26,401	5,305	27,853	17,426	1,837
17.3400	Leather Working	2,805	1,242	251	1,312	912	80
17.3500	Upholstering	19,196	3,540	1,573	14,083	5,621	485
17.3600	Woodworking Occup.	70,106	54,305	2,571	13,230	12,197	942
17.9900	Other	199,368	136,131	15,362	46,693	33,910	2,723
99.	Special Programs	1,114,265	1,037,714	36,775	39,776	-	-
99.0100	Group Guid. (Prevoc.)	954,461	937,699	7,662	9,100	-	-
99.0200	Prepostsecondary	6,590	6,590	-	-	-	-
99.0300	Remedial	85,951	38,944	21,863	25,144	-	-
99.0400	Other N.E.C.	67,263	54,481	7,250	5,532	-	-

* Unduplicated Total

1/ FY 1974 data has not been compiled as yet.

ANALYSIS OF ENROLLMENTS

Dr. **Pierce**. I can make a general statement, if I might, which is that our analysis of the enrollments show that the enrollments are keeping in pace with, in a general way, with the occupations where there is the greatest demand. So that the increase in enrollments is consistent with the projected needs in occupations and the reductions in enrollment, such as production agriculture, is consistent with the projections of need in those areas.

So, that if you have a 40-percent projected increase in a particular occupation, we can show that there has been a 15- or 20- or 30-percent increase in enrollments in that occupation in vocational education. So, they are going in the same direction. That is a general statement.

Senator **Brooke**. And specifics will be submitted for the record?

Dr. **Pierce**. Yes, sir.

GAO AUDIT REPORT

Senator **Brooke**. Now, GAO recently reported that the Federal and State vocational education program has been very critical, as you have said, of HEW for not properly monitoring the programs, as well as the programs for the handicapped.

Have you done anything since that report was submitted to correct your procedures? I recognize, as Commissioner Bell has pointed out, that you have money restraints and staff limitations, et cetera, but I would just like to know if anything has been done?

Dr. **Pierce**. Yes, sir, we have a report which describes the ways we plan to implement each of the recommendations in the GAO report. That has been submitted to the appropriate committees of both the Senate and the House and I would be happy to provide that for the record here, if you would like.

It says what we are specifically going to do in response to each of the 16 recommendations agreed to by the Secretary.

Senator **Brooke**. Well, I was just handed a report, and I refer to page 18 of the report, which is a report to Congress by the Comptroller General of the United States, the section entitled "OE monitoring has been inadequate," and it says that OE officials told us, meaning the Comptroller General, that little analysis of the ways States spend Federal funds has been done and that OE does not know what the impact of Federal vocational funding actually has been.

They said that States treated Federal funds as another source of general revenue and have used these funds primarily to maintain existing programs.

Do you have a comment on that?

Dr. **Pierce**. Well, that is a statement of finding and not one of the recommendations. We concurred with most of the recommendations in the GAO report. We did not necessarily concur with most of the findings in the report, but as a matter of fact, we analyzed that report and analyzed each of those findings and conclusions and have a written statement about whether we agree with it. And if we do not, why we don't agree with it.

Senator **Brooke**. Would you submit for our files your response to the findings and to those recommendations?

Dr. **Pierce**. I certainly will.

TEACHER TRAINING

Senator **Brooke**. Now, you are proposing to eliminate the teacher training and vocational education field. According to, again, the GAO finding, there is still a high demand for teachers in the field of trade and industrial training, et cetera.

Why did you choose to ignore that field of education, if, in fact, you did?

Dr. **Pierce**. We didn't, Mr. Chairman. We have recommended that part F of the Education Professions Development Act, which is the one that responds to vocational education personnel needs, be transferred to the new proposed legislation, and then be handled by that legislation rather than the Education Professions Development Act. So, we did not ignore it.

Senator **Brooke**. Do you have any idea how adult education money is broken down by age group?

Dr. **Pierce**. Yes; we have, by money and by numbers—

Senator **Brooke**. Could you submit for the record that data, because it appears that very few dollars seem to be focused on people who are over 40 and yet they can still have another 20 years in the labor market. You might make a general comment on that particular part of this question, but submit it for the record.

Dr. **Pierce**. I will submit it for the record.

[The information follows:]

ADULT EDUCATION—ESTIMATED OBLIGATIONS [1] BY AGE GROUPS, FISCAL YEAR 1975
(SCHOOL YEAR 1974-75)

	Participants	Obligations
Age group:		
16 to 24	358, 700	$24, 212, 250
25 to 34	274, 500	18, 528, 750
35 to 44	178, 600	12, 055, 500
45 to 54	104, 400	7, 047, 000
55 to 64	54, 700	3, 692, 250
65 and over	29, 100	1, 964, 250
Total	1, 000, 000	67, 500, 000

[1] Based on average cost of $67.50 per participant.

Dr. **Pierce**. You are quite right, though.

Senator **Brooke**. You may proceed.

Dr. **Pierce**. You are quite right that the number of people over 40 or 45 represents about 62 percent of the total number of people in the country. About 52 million have less than a high schol education, and yet we are only providing services to about 18 percent—18 percent of our total people served are in that age group of over 45.

So you are quite right in observing that more of the money goes to the people under 45, and yet the predominate numbers are people above that age. I can only say that this has been a priority because we were concerned about cost-effectiveness.

It seemed to us that the age range of 18 to 44, in the past few years, has been the area we have been emphasizing, and concentrating on, because the people that you deal with in that age bracket will have longer impact in the economy to utilize these skills that we provide them.

ADULT EDUCATION LEGISLATION

Senator Brooke. The law now contains some very specific earmarks for funds. Could you give us a brief description or explanation of these requirements?

Dr. Pierce. You are talking about vocational education?

Senator Brooke. Adult education.

Dr. Pierce. The requirement is that 15 percent of the State funds will be spent for special projects and teacher training, and that up to 20 percent of the funds will be spent for high school equivalency. Those are the only two requirements that——

Mr. Delker. There is one other limitation of up to 20 percent for the institutionalized.

Dr. Pierce. Oh, yes, good.

Senator Brooke. Despite these requirements, you are asking for the same amount as last year. Doesn't that mean that some who received services in the past will be cut out?

Dr. Pierce. Some who have received services, you say?

Senator Brooke. Who had received services in the past will be cut out because you have additional requirements and you have asked for the same funding as in the past.

Dr. Pierce. Well, for example, the 15 percent for special projects, or over $10 million, heretofore had been made available to the Commissioner as discretionary money. That $10 million is now a part of the State-grant program, so we actually have increased the amount of money available to the States, Senator, to take care of not only that but the hold harmless provision in the law of 90 percent.

In terms of the others, yes, none of us are satisfied that $67.5 million is adequate, but I am sure, as the Commissioner has said in a number of occasions in the course of these hearings, that you know that we have to make some hard choices when there isn't enough money. All I can say is that in our 5-year plan, we have emphasized and given a great deal of support for additional adult educational activity. It is just a matter of resource scarcity that has kept us from asking for more.

COMPARISON OF VOCATIONAL EDUCATION VERSUS HIGHER EDUCATION

Senator Brooke. Dr. Pierce, I have long been a supporter of vocational education and have been concerned about the amount of the education dollar that is spent for vocational education. What it is now as compared to the baccalaureate degree? How much of the dollar goes for vocational education?

Dr. Pierce. How much of our dollars in Federal money?

Senator Brooke. Well, I can't answer that.

Dr. Bell. Yes; our higher education budget is, of course, going in many areas besides the baccalaureate program.

Senator Brooke. I know in the figures, but I am asking you to take the Federal dollar and compare it. Say is 85 cents going into the baccalaureate program, as compared to 15 cents for vocational education, or is it higher?

Dr. Bell. I think we can estimate that $1.5 billion of our $2 billion request for higher education would be going to the baccalaureate education. Now, this is an estimate, Senator.

Senator **Brooke**. $1.5 billion?

Dr. **Bell**. Out of our $2 billion request for higher education, $1 billion would go toward baccalaureate degrees and about $110 million to proprietary and area vocational schools. The vocational education appropriation request is $530 million.

Mr. **Dingledein**. Mr. Chairman, I think that whatever the distribution is now, it has actually probably increased.

Senator **Brooke**. Towards vocational education, you mean?

Mr. **Dingledein**. That is right, because of the fact that particularly in the student aid programs, the postsecondary vocational schools are now eligible, whereas they were not before.

VOCATIONAL HIGH SCHOOLS

Senator **Brooke**. Are vocational high schools on the increase as well, regional vocational high schools, are they on the increase?

Dr. **Pierce**. Yes.

Dr. **Bell**. I would estimate that on a State level that the split isn't that favorable for vocational education, knowing what most of them spend on their university systems and their State college systems and their community college systems, Senator.

Of course, some of the community colleges and some of the others are in vocational education now, but most of it is in academic preparation.

Senator **Brooke**. When did we begin to increase that? Was it in recent years?

Dr. **Bell**. I would say since 1965, or the last 10 years.

Senator **Brooke**. The last 10 years? And has that been rather consistent?

Dr. **Bell**. Yes. You might be interested to know that I gave a speech to the Presidents of private liberal arts colleges and they asked me to suggest things that they might do since they are private colleges and are in financial strains and many of them have been closing their doors. They asked me what they should do to keep open, and I cited some instances of liberal arts colleges emphasizing more and more job career aspects of liberal arts and emphasizing that they ought to be moving more in that direction. That speech has generated a number of letters from liberal arts people who felt that the new Commissioner wanted to vocationalize liberal arts. That has generated quite a response.

It has been a source of considerable controversy.

Another member of the administration gave an address emphasizing the other direction that they ought to continue their teaching of liberal arts and the humanities and all the things that we know make up a liberalized education.

The Chronicle of Higher Education is going to run both addresses side by side as contrasting the emphasis.

I feel that we need to get more job oriented in our educational system, including our universities and colleges.

Senator **Brooke**. I concur with you. This increase in vocational education dollars began about the time the Federal Government got into aid to education, didn't it?

Dr. Bell. That is a very good point and that started in 1965. That is when the big drive started, yes. That was the watershed year as far as the Federal presence in education is concerned.

Mr. Brooke. As a person in favor of it, Commissioner Bell, I would appreciate it if you would send me a copy of your speech.

Dr. Bell. All right, I would be happy to.

[The document follows:]

DOES THE SMALL PRIVATE COLLEGE HAVE A FUTURE?

A headline a few weeks ago in The New York Times announced in bold print: "Alaska to Lose Its Last Private College."

The article that followed told how Alaska Methodist University, the State's only private college and one of its two 4-year colleges, will close its doors this July because of financial difficulties. As I read about its unsuccessful fund-raising drives and the sale of its land to another college, Alaska Methodist began to merge in my mind with the many other private colleges and universities that have found themselves in a similar situation in recent years--forced to close, to merge with a neighboring college, or to go public.

The Alaska Methodist story unfortunately is only one of many such stories about the plight of small private colleges that are circulating today. Problems of all kinds are bombarding colleges and universities, both large and small, across the Nation. Inflation is responsible for rising operational costs which in turn demand higher tuition. This is coupled with a slowdown in financial support for private institutions from foundation and other private sources as public institutions go after a larger share of private funds.

But I didn't come here to dwell on the present situation of small private colleges. You are all too painfully familiar with that. Rather, I came here to speak about a different and really far more important topic--Does the small private college have a future?

In answer to this question, I reply: Yes, the small private college does indeed have a future--if it rolls with the times.

The small private college that rolls with the times will survive.

The small private college that does not roll with the times will not survive.

To roll with the times means to adapt to them academically to give students what they need to live in today's world and to adapt to the economic strains that the times impose. It is that simple.

How must a college adapt to the times academically? I have some ideas about that, but before I get into them I want to concede that as U.S. Commissioner of Education it is not for me to interfere in how you run your colleges. Even if I wanted to, there is a law against it.

Nevertheless, as U.S. Commissioner, I do feel that I have a responsibility to speak out candidly when I see a problem in education and to attempt to exercise some leadership toward healing it. So here goes with three of my ideas--

First of all, I feel that the college that devotes itself totally and unequivocally to the liberal arts today is just kidding itself. Today we in education must recognize that it is our duty to provide our students also with salable skills.

We are facing the worst economic situation that this country has seen since the end of World War II, with an unemployment rate over 7 percent. To send young men and women into today's world armed only with Aristotle, Freud, and Hemingway is like sending a lamb into the lion's den. It is to delude them as well as ourselves. But if we give young men and women a useful skill, we give them not only the means to earn a good living but also the opportunity to do something constructive and useful for society. Moreover, these graduates will experience some of those valuable qualities that come with meaningful work--self respect, self confidence, independence.

I know that many of you would quarrel with listing a salable skill in any list of requirements for becoming a truly educated person. Some of you might grudgingly permit a salable skill to be listed but would quarrel with listing it first.

Nevertheless, in my view, many colleges and universities face declining enrollments today simply because they lack a strong commitment to this first and foremost requisite. Many would argue that a student need merely master the basics in the liberal arts and humanities to be well on the way to becoming educated. As I see it, this is far too narrow a view of education. Education is preparation for life, and living without meaningful work is just not living life to its full meaning and purpose. Certainly education for employment does not represent a total educational policy. The liberal arts will always have the place as the heart of the curriculum. But we need to liberalize vocational education--and vocationalize liberal education. In the process we will attain the full purpose of education.

I am aware that many small private colleges are moving aggressively to respond to nontraditional learning activities. Dyke College in Cleveland gives us an example with which you may be familiar.

Some of Dyke's new programs include an accounting internship and courses in retail merchandising, real estate, public administration, and paralegal work.

Hesston College, a 2-year institution at Hesston, Kansas, offers 13 occupational programs in addition to its traditional liberal arts programs. Typical offerings include aviation, secretarial science, agriculture, and social service. This school is also involved in a cooperative arrangement with another private 2-year college and a 4-year college in a food service program. From all reports, the curriculum changes seem to have been effective and successful.

These are the types of course offerings that need to be cranked up in our colleges to accommodate the student of the future--even the student of today. A basic knowledge of the liberal arts is still very important--in fact it is still foremost in priority--but I believe it can be successfully combined with programs emphasizing specialized skills. Selectivity is important. If you know your community, your students, and your faculty, the types of specialized courses that you might adopt can be adopted with a better eye to improving society and ultimately our great Nation.

My second idea about what a college should emphasize academically in these times is that it owes it to its students to teach them to communicate.

Every day, it seems to me, more people want to say more things to me. I'm sure most of you are having the same experience, and it's the same story in business and industry, in politics, in international affairs. As ideas proliferate, as facts multiply, it is more important than ever that a young man or woman know how to talk or write about them easily and understandably. It may make all the difference in his or her first job interview and will certainly make a lot of difference as he or she later presents the ideas that may mean promotion.

Are you teaching your students to express their thoughts and ideas in speech and writing so others can understand clearly? Can they listen to others and read their written thoughts with clear understanding? In today's world we must be verbally articulate. To express one's thinking and be clearly understood is vital to almost everything we do. A truly educated person must have this ability.

Third, in a world on a buy-now-pay-later whirligig that is gaining speed daily, a college owes its students some education in economic literacy, the simple fundamentals of economics.

Many so-called educated people never learn that you can't spend more money than you have coming in each month and avoid personal economic disaster. Their wants are insatiable, but their financial resources are limited. An educated person must have economic literacy . . . must know how to manage money as well as earn it. It's not how much a person earns so much as it is the difference between what one earns and what one spends that will make a person economically independent. To learn the simple lessons of personal money management and apply them is what intelligent, rational people do. This, mundane as it may seem, is another mark of an educated person.

I have gone into three things that I think a college must do in the academic area if it is to roll successfully with the times. Of course, there are many other things a college should do. It should help a student learn to think critically, for instance, and to develop values and standards, to appreciate good health and nutrition. A good college has always done these things. What I have tried to do is to highlight three things that I believe are especially critical in this day and age.

I really believe that, if the word got around that you were doing these three things, students would beat a path to your registrar's door. The next question is: Would you be able to accommodate them? Have you rolled with today's economic stringency, or have you already been forced to let attrition wither your faculty, to let your library fall behind, to cut back on basic course offerings?

Many colleges, I know, have found ways to roll with a bleak economy. Many of them have maintained solvency by working together rather than attempting to compete with each other.

One of the most successful ways to work together is, of course, the cooperative arrangement, the consortium. To share resources, to interact with others who face similar situations, are very effective methods of strengthening and broadening an institution's offerings.

I have in mind such enterprises as that sponsored by the Connecticut River Valley colleges in Massachusetts. Amherst, Mount Holyoke, Smith, and Hampshire joined forces with the University of Massachusetts to exchange just about every facet of postsecondary education--joint faculty appointments, interdisciplinary courses, cross-use of library facilities, meal ticket interchange, regular bus service among all five campuses, and even a five-college major in astronomy. In addition, a wide range of four-year programs is sponsored by the colleges, and so is a cooperative doctoral program.

Similar cooperative arrangements can be found across the country. One group of colleges comes together to discuss different methods of teaching science in a small college that has limited equipment and resources but unlimited student interest and enthusiasm. Another group of colleges meets to exchange ideas about the future of higher education and discuss research topics and recent experiments in education.

The possibilities are limitless. Cooperative arrangements can be used effectively to encourage the sharing of all educational resources--from teachers and classrooms to lab equipment and library books.

I think an important area where small colleges might look for assistance in the future is the private and business sector. This is a different type of interaction, but valuable nonetheless. Such cooperation gives students concrete experience as they participate in internships or work-study programs as well as encouraging the community to become involved with its college.

Freshmen enrollment at Hood College, in Frederick, Maryland, quite close to here, was up 170 percent over 1973. Total enrollment was up 43 percent. The credit for this rise was given to instructional change. Internships and work-study programs at nearby government, research, and health facilities made education at this school a real preparation for the future. An interesting sidelight is that the growth in student enrollment at this college has been accompanied by an increase in the quality of students admitted. Since the change in curriculum, average SAT scores are up 10 to 15 points.

Coker, a small private college in Hartsville, South Carolina, stresses academic credit for internships with area businesses and industries. More than a third of the student body participates in the program, which is heavily geared toward occupational skills and future job opportunities.

The Federal Government is concerned about the future of our small private colleges. These schools help to insure diversity in our education system. As Americans we have always pointed with pride to the great variety of educational experiences available within our single Nation. We cannot permit one of our Nation's greatest assets to fade or, worse yet, disappear.

To restructure course offerings with an eye to salable work skills, to communication skills, and to economic skills, and to work together as complimentary units--these are key areas for concern by all colleges, large and small, in the future.

I feel confident that our small private colleges have a future, and a bright one. And I am confident as well that the future of American education is secure in the able hands of educators as well qualified as those gathered here today.

BACCALAUREATE SCHOOLS VERSUS TECHNICAL SCHOOLS

Senator **Brooke.** I can best describe the problem by referring to Boston where you had the Boston Latin School and a technical school and you have the students who are in technical schools suffering psychologically as compared with the students who went to the elite baccalaureate school. This is something we have to address sometime.

Dr. **Bell.** Right.

Senator **Brooke.** And so I have talked about it quite a lot myself in the State and dedicated several regional vocational schools in my State. When these vocational students get out, they get the jobs. They are in demand.

People are lined up waiting for them.

Dr. **Bell.** That is right, and through the years we have tended to think that the vocational schools are just for the minority children and the children of the poor.

Senator **Brooke.** And I think we are starting, I don't think we have gotten there yet, but I think we are starting to go a ways in the other direction.

Dr. **Bell.** Yes; you are absolutely right.

Senator **Brooke.** And even the minorities, the blacks and the other minorities in the country began to feel, well, you know, I am inferior if I go to a technical school. Right here in Washington, D.C., where I was born, I went to Dunbar High School, and that was the technical high school and you see there was a social cleavage there. You just couldn't believe it. It irritated me then and it irritates me now. I have seen it elsewhere, too.

Dr. **Pierce.** In terms of 1965, you had about 450 of those area or regional schools around the country and now there are over 2,000, so they are indeed growing.

EXPENDITURES FOR VOCATIONAL EDUCATION

The other thing I think I ought to say for the record in fairness to the State and local commitment to vocational education is that it is up to $3 billion dollars total expenditure for vocational education nationally and about 16 percent of that is Federal. So the State and local commitment is there and is growing and I think the perception of people, as Dr. Bell was saying, is finally changing.

Senator **Brooke.** I notice, too, that my State is progressive in some things, but unfortunately regressive in others, I am ashamed to say, and it has been increasing there, but I didn't know how widespread this was around the country. That is why I asked.

JUSTIFICATION

Dr. **Pierce.** I should mention that Dr. Buzzell was, until he joined us about 6 months ago, the State Director of Vocational Education in your State, so he knows about the Boston scene as well as the rest of the State.

Senator **Brooke.** In Lawrence, and up through there?

Dr. **Buzzell.** Yes.

Senator **Brooke.** Well, thank you very much. We'll put your justification in the record.

[The justification follows:]

Justification

Appropriation Estimate

OCCUPATIONAL, VOCATIONAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, [section 102(b)($20,000,000), parts B and C ($438,978,000), D, F ($35,994,000), G ($19,500,000), H ($9,849,000) and I of the Vocational Education Act of 1963, as amended (20 U.S.C. 1241-1391), the Cooperative Research Act, and][1] parts B-1 [($37,500,000),] *and* D[($8,139,000), E ($2,100,000), and F ($9,000,000)][2] of the Education Professions Development Act [$612,376,000 including $16,000,000 for exemplary programs under Part D of said 1963 Act of which 50 per centum shall remain available until expended and 50 per centum shall remain available through June 30, 1976, and not to exceed $18,000,000 for research and training under part C of said 1963 Act][1]*, and the Adult Education Act of 1966, $113,212,000 of which $67,500,000 for the Adult Education Act shall become available for obligation July 1, 1976, and shall remain available for obligation through September 30, 1977.*[3]

[For carrying out, to the extent not otherwise provided, the Adult Education Act of 1966, and section 907 of the Elementary and Secondary Education Act of 1965, as amended, $136,800,000: *Provided*, That of this amount $67,500,000 shall become available for obligation on July 1, 1975 and shall remain available through June 30, 1976.][4]

[Funds appropriated under "Occupational, Vocational, and Adult Education" in the Departments of Labor and Health, Education and Welfare Appropriations Act, 1975 for carrying out career education under the Cooperative Research Act shall be available only to carry out the provisions of section 406 of Public Law 93-380.][5]

For "Occupational, vocational, and adult education" for the period July 1, 1976 through September 30, 1976 $17,000,000. 6/

Explanation of Language Changes

1. Federal support for vocational education will be requested under proposed legislation which will consolidate the various vocational education programs. Therefore, references to existing categorical authorities are deleted. The Cooperative Resarch Act has been repealed.

2. Reference to Parts E and F of the Education Professions Development Act has been deleted since no funds are being requested for these parts. Amounts for parts B-1 and D are deleted since it is not necessary to earmark amounts.

3. The language includes a special provision placing Adult Education on an advanced funded basis. Thus, the current request includes an advance appropriation of $67,500,000 to be available in fiscal year 1977 to fund school year 1976-77.

4. This deletion was a supplemental appropriation in fiscal year 1975.

5. This deletion reflects the transfer of career education from this account to the appropriation for Innovation and Experimental Programs.

6. Language is included to cover the interim period July 1 - September 30, 1976 for the teacher corps program under this appropriation.

Amount Available for Obligation

	1975 Revised	1976	1976 Advance for 1977
Appropriation:			
Annual..............................	$681,676,000	$113,212,000 2/	$67,500,000
Permanent...........................	7,161,455	7,161,455	---
Proposed rescissions................	-39,712,000	---	---
Subtotal, adjusted appropriation	649,125,455	120,373,455	67,500,000
Comparative transfer to:			
"Innovative and experimental programs" for career education..	-10,000,000	---	---
"Higher education" for ethnic heritage........................	1/	---	---
Subtotal, budget authority	639,125,455	120,373,455	67,500,000
Unobligated balance, start of year	681,893	---	---
Total, obligations.................	639,807,348	120,373,455	67,500,000

1/ Included in the amount proposed for rescission.

2/ Excludes an amount of $523,006,000 proposed for later transmittal under proposed legislation for vocational education.

Summary of Changes

1975 Estimated obligations..	$677,719,348
Less: Proposed rescission..	-37,912,000
Subtotal, 1975 Revised obligations........................	639,807,348
1976 Estimated obligations..	120,373,455 1/
Net change..	-519,433,893
1976 Advance appropriation for 1977..	67,500,000

	1975 Base	Change from Base
Increases:		
Program:		
1. Other education personnel development:		
(a) Educational leadership...............	$ ---	$ +3,000,000
2. Adult education..........................	63,319,000	+4,181,000
Total, increases....................		+7,181,000
Decreases:		
Program:		
1. Grants to States for vocational education programs..........................	495,167,455	-488,006,000
2. Vocational research......................	35,681,893	-35,681,893
3. Education personnel:		
(a) Other education personnel development......................	8,139,000	-2,927,000
Total, decreases....................		-526,614,893
Total net change..............................		-519,433,893

	1976 Base	Change from Base
Program:		
1. Adult education..........................	67,500,000	---

1/ Excludes $523,006,000 proposed for later transmittal under proposed legislation for vocational education.

Explanation of Changes

Increases:

1. Other education personnel development -
(a) Educational leadership - An amount of $3,000,000 is requested to initiate a new training program to improve the management and planning capabilities of elementary and secondary school principals.

2. Adult education - An increase of $4,181,000 over the 1975 level of $63,319,000 will provide a total of $67,500,000 for fiscal year 1976 to meet the "hold harmless" requirement as provided in the legislation. The funding level requested for fiscal year 1977 is the same as was appropriated for fiscal year 1976.

Decreases:

1. Grants to States for vocational education programs - No funds are requested for vocational education at this time. New legislation is being proposed and funds will be sought under a supplemental request.

2. Vocational research - No funds are requested for vocational research at this time. New legislation is being proposed and funds will be sought under a supplemental request.

3. Other education personnel development - The reduction of $2,927,000 for other education personnel development reflects the termination of career opportunities and categorical programs which have accomplished their basic purposes. The urban/rural school development program will continue to support 31 existing projects at a level of $5,212,000 in fiscal year 1976, the fifth and final year of operation.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or decrease
Grants to States for vocational education programs:				
(a) Basic vocational education programs:				
(1) Annual......	$420,978,000	$405,347,000	$ ---1/	$-405,347,000
(2) Permanent...	7,161,455	7,161,455	7,161,455	---
Subtotal..	428,139,455	412,508,455	7,161,455	-405,347,000
(b) Programs for students with special needs....	20,000,000	20,000,000	---1/	-20,000,000
(c) Consumer and homemaking education.	35,994,000	30,994,000	---1/	-30,994,000
(d) Work-study..........	9,849,000	7,849,000	---1/	-7,849,000
(e) Cooperative education..............	19,500,000	19,500,000	---1/	-19,500,000
(f) State advisory councils..........	4,316,000	4,316,000	---1/	-4,316,000
Subtotal....	517,798,455	495,167,455	7,161,455	-488,006,000
Vocational research:				
(a) Innovation..........	16,681,893	16,681,893	---1/	-16,681,893
(b) Curriculum development..............	1,000,000	1,000,000	---1/	-1,000,000
(c) Research............	18,000,000	18,000,000	---1/	-18,000,000
Subtotal......	35,681,893	35,681,893	---	-35,681,893
Education personnel:				
(a) Teacher corps......	37,500,000	37,500,000	37,500,000	---
(b) Other education personnel development:				
(1) Urban/rural school development.	5,541,100	5,541,100	5,212,000	-329,100
(2) Career opportunities..	1,784,000	1,784,000	---	-1,784,000
(3) Categorical programs:				
(a) Indian programs	406,950	406,950	---	-406,950
(b) Bilingual programs	406,950	406,950	---	-406,950
(4) Educational leadership	---	---	3,000,000	+3,000,000
(5) Vocational education.	9,000,000	---	---1/	---
(6) Higher education....	2,100,000	---	---	---
Subtotal..	19,239,000	8,139,000	8,212,000	+73,000
Adult education.........	67,500,000	63,319,000	67,500,000	+4,181,000
(1976 advance for 1977).			(67,500,000)	---
Total obligations...........	677,719,348	639,807,348	120,373,455	-519,433,893
(Total 1976 advance for 1977)			(67,500,000)	---

1/This activity is proposed for later transmittal under the proposed legislation for vocational education.

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease	1976 advance for 1977
Other services....	$ 90,500	$ 90,500	$ ---	$ -90,500	$
Grants, subsidies and contributions..........	677,628,848	639,716,848	120,373,455	-519,343,393	67,500,000
Total obligations by object.......	677,719,348	639,807,348	120,373,455 1/	-519,433,893	67,500,000

1/ Excludes $523,006,000 proposed for later transmittal under proposed legislation for vocational education.

Significant Items in House and Senate Appropriations Committee Reports

Item	Action taken or to be taken
1975 House Report	
Other education personnel development	
1. Committee is concerned about the shortage of specialized teachers for the bilingual, Native Americans, handicapped, and for vocational education and junior and community colleges. (page 12)	1. Although no funds were appropriated for categorical programs, OE provided five percent of EPDA, part D funds for teachers of Indian children and five percent for bilingual personnel training. Specialized teacher training is available from other OE appropriations such as Education for the handicapped, Higher education, Elementary and secondary education, and Indian education.

Authorizing Legislation

	1976		1976 Advance for 1977	
Legislation	Authorized	Appropriation requested	Authorized	Appropriation requested
Vocational Education Act of 1963:				
Section 102(b) -- Programs for students with special needs..........	$ 60,000,000 1/	$ 2/	$	$
Section 103(a) -- Transfer to Department of Labor for studies on manpower needs.........	5,000,000	---		
Section 104(b) -- State advisory councils......	Indefinite	2/		
Part B -- Basic vocational education programs.....	504,000,000	2/		
Part C -- Vocational research and training..	56,000,000	2/		
Part D -- Innovation.....	75,000,000 1/			
Part E -- Residential schools................	60,000,000 1/	---		
Part F -- Consumer and homemaking education...	50,000,000 1/	2/		
Part G -- Cooperative education..............	75,000,000 1/	2/		
Part H -- Work-study.....	55,000,000 1/	2/		
Part I -- Curriculum development............	10,000,000 1/	2/		
Smith-Hughes Act (Permanent)	7,161,455	7,161,455		
Education Professions Development Act:				
Section 504 -- Attracting qualified persons to field of education.....)		---		
Part B-1 -- Teacher corps)		37,500,000		
Part C -- Fellowships for teachers and related education personnel....)		---		
Part D -- Improving training opportunities for personnel serving in programs of education..)	450,000,000 1/	--- 8,212,000		
Part E -- Training programs for higher education personnel.........)		---		
Part F -- Training and development programs for vocational education personnel.............)		---		
Adult education Act........	183,750,000	67,500,000 3/	210,000,000	67,500,000

1/ Based on 1-year extension authority under GEPA.
2/ Proposed for later transmittal under proposed legislation
3/ Enacted appropriation

Occupational, Vocational, and Adult Education

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$329,741,000	$299,741,000	$324,241,000	$324,104,000
1967	374,961,000	373,839,000	380,289,000	349,523,000
1968	436,350,000	380,350,000	398,450,000	362,516,000
1969	474,748,000	443,866,000	460,066,000	428,391,000
1970	463,216,000	665,353,000	699,716,000	545,144,000
1971	583,256,000	633,756,000	647,666,000	637,506,000
1972	611,225,000	700,355,000	744,725,000	698,886,000
1973	689,403,000	639,131,000	800,646,000	746,714,000
1974	620,106,000	700,605,000	754,482,000	685,403,000
1975 Considered	645,595,000	676,211,000	692,351,000	669,876,000
Rescission proposed	-37,912,000			
1976 Advance	63,319,000	63,319,000	67,500,000	67,500,000
1976	45,712,000 1/			
1977 Advance	67,500,000			

NOTE: In order to reflect comparability with the 1976 estimate this history table excludes activities transferred to the appropriations for Innovative and experimental programs and Higher education.

1/ This amount does not include Vocational education funds proposed for later transmittal; the table is otherwise comparable.

Justification
Occupational, Vocational, and Adult Education

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Grants to States for vocational education programs:				
(a) Basic vocational education programs:				
(1) Annual	$420,978,000	$405,347,000	1/	$-405,347,000
(2) Permanent	7,161,455	7,161,455	7,161,455	---
Subtotal	428,139,455	412,508,455	7,161,455	-405,347,000
(b) Programs for students with special needs	20,000,000	20,000,000	1/	- 20,000,000
(c) Consumer and homemaking education	35,994,000	30,994,000	1/	- 30,994,000
(d) Work-study	9,849,000	7,849,000	1/	- 7,849,000
(e) Cooperative education	19,500,000	19,500,000	1/	- 19,500,000
(f) State advisory councils	4,316,000	4,316,000	1/	4,316,000
Subtotal	517,798,455	495,167,455	7,161,455	-488,006,000
Vocational research:				
(a) Innovation	16,681,893	16,681,893	1/	- 16,681,893
(b) Curriculum development	1,000,000	1,000,000	1/	- 1,000,000
(c) Research	18,000,000	18,000,000	1/	- 18,000,000
Subtotal	35,681,893	35,681,893	1/	- 35,681,893
Educational personnel:				
(a) Teacher corps	37,500,000	37,500,000	37,500,000	---
(b) Other education personnel development:				
(1) Urban/rural school development	5,541,100	5,541,100	5,212,000	- 329,100
(2) Career opportunities	1,784,000	1,784,000	---	- 1,784,000
(3) Categorical programs:				
(a) Indian programs	406,950	406,950	---	- 406,950
(b) Bilingual programs	406,950	406,950	---	- 406,950
(4) Educational leadership	---	---	3,000,000	+ 3,000,000
(5) Vocational education	9,000,000	---	1/	---
(6) Higher education	2,100,000	---	---	---
Subtotal	19,239,000	8,139,000	8,212,000	+ 73,000
Adult education	67,500,000	63,319,000	67,500,000	+ 4,181,000
(1976 advance funding for 1977)			(67,500,000)	
Total obligations	677,719,348	639,807,348	120,373,455	- 519,433,893
(Total 1976 advance funding for 1977)			(67,500,000)	

1/ Request is proposed for later transmittal pending new legislation

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General Statement

Funds for vocational education, the major activity in this appropriation, will be requested in 1976 under new legislation which proposes to shift the focus of Federal assistance for vocational education substantially from general support services to innovative projects. The legislation will consolidate existing authorities into two broad categories--grants for support of basic vocational education programs and incentive grants for innovative activities. The legislation will simplify the administration of Federal assistance for vocational education, while continuing support for the operation of programs providing vocational education opportunities to some 14 million individuals. State advisory councils will be continued. The permanent vocational education appropriation, authorized by the Smith-Hughes Act, would be combined with and used for the purposes of grants to States under the new vocational education legislation.

The amount of the current request, $120,373,455, includes $67,500,000 for the advance funding of school year 1976-77 in adult education. In fiscal year 1975, funds were appropriated on an advance-funded basis for the first time. Thus, $67,500 $67,500,000 was included for school year 1975-76. During the 1976-77 school year, priority will continue to be placed on younger adults with less than an 8th grade level of education.

Also in the request is $5,212,000 for the urban/rural school development program targeted to low-income students. These funds will provide final support to phase out this 5-year effort involving 31 projects and 3,500 school staff and community members. In addition, $3,000,000 is included for a new educational leadership program to improve the management and planning capabilities of elementary and secondary school principals, and $37,500,000 is again requested to continue the teacher corps program. An amount of $7,161,455 is included for the permanent appropriation.

The 1975 revised budget reflects a proposed rescission of $37,917,000 from the amount provided by the Congress. This rescission has already been presented to the Congress and this budget reflects the hope for approval of the rescission.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
a. Basic vocational education				
(1) Annual..............	$420,978,000	$405,347,000	$ ---	$-405,347,000
(2) Permanent...........	7,161,455	7,161,455	7,161,455	---
Total...........	428,139,455	412,508,455	7,161,455	-405,347,000

Narrative

Program Purpose

To assist the States in maintaining, extending, and improving existing programs of vocational education and in developing new programs for persons of all ages so that education and training for career vocations are available to individuals who desire and need such training for gainful employment, Part B of the Vocational Education Act, combined with the permanent Smith-Hughes Act, authorizes grants to the States based on the formula prescribed in the Act. To meet actual or anticipated labor demands, vocational education programs are designed to provide youth and adults with the occupational skills they need to enter into and advance throughout the Nation's labor force. Funds may be used for support of State and local administrative personnel, institutional support, vocational guidance and counseling, training of teachers, construction and remodeling of facilities, purchase of training materials and equipment, and development of curricula, research, and evaluation. Forty percent of each State's allotment must be set-aside for specific purposes: (1) 15 percent for the disadvantaged; (2) 10 percent for the handicapped; and (3) 15 percent for postsecondary programs. The formula grants are made to the States based on population by age groups and per capita income. Except for the set-asides for the disadvantaged and handicapped State-wide matching is required on a dollar-for-dollar basis.

Plans for fiscal year 1976

Funds for the annual appropriation will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately. The funds requested for the permanent appropriation would not be affected by the proposed legislation. These funds would be combined with and used for the purposes of grants to States under the new legislation.

Accomplishments for fiscal years 1974 and 1975

Fifty-six grants were awarded to States and outlying areas to assist them in providing programs of vocational education for 9,165,000 students in 1974 and 9,950,000 students in 1975. During this period, instructional programs and services were further developed to the extent that students completing these programs were qualified for employment, and were also eligible for further training in areas leading to advanced employment.

A system for identification of data on new and revised curriculum guides and other materials was developed and disseminated to the States so that educational programs could be restructured around a comprehensive career development system featuring extensive community, industrial, and business involvement. This activity incorporates the expanded use of cooperative education with particular emphasis on curriculum development to meet the needs of students from the various minority groups. Through an analysis made of occupational requirements and an evaluation of on-going State programs, national priorities can be established for developing new and expanded vocational education programs.

Each year ten different States requested and were provided technical assistance from the central and regional Office of Education personnel in improving their management practices and evaluation procedures for delivery of services to the students through the local education agencies.

The 1975 revised budget reflects a proposed rescission of $15,631,000 from the amount provided by Congress.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
b. Program for Students with special needs	$20,000,000	$20,000,000	$ ---	$-20,000,000

Narrative

Program Purpose

To provide programs and services for persons who are not able to succeed in regular vocational programs because of poor academic backgrounds, lack of motivation, and depressing environmental factors, section 102(b) of the Vocational Education Act as amended, authorizes grants to the States and outlying areas for this purpose. Programs are concentrated within the States in areas where there is high youth unemployment and school dropouts. Special services and programs are provided disadvantaged students to encourage them to stay in school and to acquire the academic and occupational skills needed for successful employment when they leave school or pursue their career preparation. These funds are in addition to the 15 percent available under the basic grants to States provided under Part B of the Act which must be used for this same purpose. Formula grants are made to the States based on population by age groups and per capita income. No matching is required.

Plans for fiscal year 1976

Funds for this activity will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately, and to emphasize those activities that they identify as the most critical.

Accomplishments for fiscal years 1974 and 1975

Fifty-six grants were awarded the States and outlying areas to assist them in providing programs of vocational education to 184,000 students with special needs in 1974 and 201,000 such students in 1975. During this period, these academically disadvantaged students were enrolled in programs which provided them the academic and occupational skills they needed for employment and future career preparations.

Guidelines and direction were provided to the States in developing and implementing programs which helped to identify and recruit students with special needs. This included making available to the States and local districts the results of research findings conducted under the research components of the Vocational Education Act. Financial and manpower resources were made available to the States to assist them in developing data retrieval systems to facilitate the planning and evaluation of these special programs. The States sponsered work-shops and meetings to familiarize those concerned with developments in this area. Special emphasis by the States was placed on establishing coordinated recruitment, placement, and follow-up activities with other Federal, State, and local agencies as well as with the business community for career development. Programs utilized the cooperative education concept where possible. In addition, local school districts sponsered preservice and inservice staff development activities for personnel.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrea
c. Consumer and homemaking education	$35,994,000	$30,994,000	$ ---	$-30,944,000

Narrative

Program Purpose:

To prepare youths and adults for the role of homemaker and wage earner, Part F of the Vocational Education Act of 1963, as amended, authorizes formula grants to the States based on population age groups between 15 and 65. Funds may be used for ancillary services such as teacher training and supervision, curriculum development, purchase of equipment, and State administration and leadership. Youth in secondary schools, young adults in postsecondary schools and older adults, including the elderly, throughout the Nation are served with these programs. States must use at least one-third of the Federal funds in economically depressed areas or areas with high rates of unemployment. Fifty percent matching is required except in economically depressed areas where matching is 90 percent Federal and 10 percent State and local.

Plans for fiscal year 1976

Funds for this activity will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately, and to emphasize those activities that they identify as most critical.

Accomplishments for fiscal years 1974 and 1975

Fifty-six grants were awarded to the States and outlying areas to assist them in providing consumer, management, and life skills to 3,435,000 youth and adults in 1974 and 3,675,000 in 1975.

Instruction in consumer education, child care development, home management, and the development of personal and family life skills assisted participants in becoming employable. Teacher education and curriculum development were strengthened. Technical assistance was made available to State and local personnel in implementing consumer and homemaking programs as a part of the total development of career education. These programs provided career opportunities for youth and adults in such human services fields as child care, care of the elderly, consumer services and food services. At least one-third of the funds available for this activity were used in areas of high unemployment. Special efforts were made to incorporate innovative approaches meeting consumer and homemaking needs in these areas.

The 1975 revised budget reflects a proposed rescission of $5,000,000 from the amount provided by Congress.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
d. Work-study....................	$9,849,000	$7,849,000	$ ---	$-7,849,000

Narrative

Program Purpose

To assist economically disadvantaged full-time vocational education students, aged 15-20, to remain in school by providing part-time employment with public employers such as hospitals and State and local government agencies, Part H of the Vocational Education Act of 1963, as amended, authorizes grants to the States for work-study programs. States are required to give preference in funding to schools serving communities with large numbers of youth who have dropped out of school or who are unemployed. Formula grants based on a population age group 15-20 are made to the States for the development and administration of the program and for compensation of students by the local educational agency or other public agencies or institutions. Matching is 80 percent Federal and 20 percent State and local.

Plans for fiscal year 1976

Funds for this activity will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately, and to emphasize those areas they identify as most critical.

Accomplishments for fiscal years 1974 and 1975

Fifty-six grants were awarded the States and outlying areas to assist in providing work-study programs for 36,000 economically disadvantaged vocational education students in 1974 and 39,000 in 1975.

These programs provided students financial incentive to remain in school at least long enough to complete a program of occupational training leading to gainful employment. In addition to providing financial assistance to those students who would leave school for economic reasons, work-study programs were used to implement the objectives of career education since participating students were able to complete programs of studies qualifying them for employment. Technical assistance was provided the States in evaluating individual work-study programs with special emphasis on extending involvement into new and emerging occupations.

The 1975 revised budget reflects a proposed rescission of $2,000,000 from the amount provided by Congress.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
e. Cooperative education...	$19,500,000	$19,500,000	$ ---	$-19,500,000

Narrative

Program Purpose

To assist enabling students to receive part-time vocational education instruction in the school and on-the-job training through part-time employment programs of cooperative education are supported which involve arrangements between schools and employers. Priority is given to areas where there are high rates of student dropouts and youth unemployment. Students in most cases must be 16 years of age to participate and are paid by the employer, either a statutory minimum wage or a student-learner rate established by Department of Labor regulations. Part G of the Vocational Education Act of 1963, as amended, authorizes formula grants to the States, based on $200,000 to each State and D.C. and the remainder on the basis of the 15-19 population. Financial assistance is provided for personnel to coordinate cooperative programs; to provide instruction related to work experience; to reimburse employers for certain costs; and to pay for certain services to students. No Federal funds are paid directly to students for their work. Federal funds may be used for all or part of a State's expenditure for programs authorized and approved under this part.

Plans for fiscal year 1976

Funds for this activity will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately, and to emphasize those areas that they identify as most critical.

Accomplishments for fiscal years 1974 and 1975

Each year, fifty-six grants were awarded to the States and outlying areas to enroll 177,000 students in cooperative education programs in 1974 and 196,000 in in 1975. These students were given opportunities for work experience related directly to their school instruction and career choice in such fields as marketing, distribution, business and office occupations, and health occupations. In addition, each year, about 700 preservice and 1,700 inservice teacher-coordinators were trained in methodologies and curriculum development as well as guidance and counseling which better equipped them to provide maximum services to the students. States continued to give priority to areas of high rates of school dropouts and youth unemployment by providing 80 percent of their allocations for this activity to such areas.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
f. State advisory councils........	$4,316,000	$4,316,000	$ ---	$-4,316,000

Narrative

Program Purpose

To advise State Boards of Vocational Education on the development and administration of State plans and advise the State agency on the administration of occupational education, evaluate vocational education programs, services and activities, publish and distribute the results of their evaluations; and prepare and submit an evaluation report on the vocational education programs, services, and activities carried out during the year. Section 104(b) of the Vocational Education Act requires each State to establish a State Advisory Council in order for the State to receive a grant under Title I of the Act. The Commissioner is authorized to pay each State advisory council an amount equal to one percent of the State's allotment, but not to exceed $150,000 nor be less than $50,000 to carry out its functions. The State advisory councils shall also perform functions with respect to occupational education.

Plans for fiscal year 1976

Funds for this activity will be requested under proposed legislation designed to simplify State administration of Federal assistance for vocational education by consolidating the various line items as they presently exist. Under the new consolidated legislative program, States and localities will have greater flexibility in the use of Federal funds and will be able to continue activities such as those previously budgeted for separately.

Accomplishments for fiscal years 1974 and 1975

In 1974 and 1975 the State Advisory Councils from all 56 States and territories submitted reports of evaluation efforts of State Vocational Education programs. The State Advisory Councils increased their participation in the development and administration of the State plans. Some Councils contracted for independent evaluation studies. Special emphasis was place on promoting the concept of career education and expanding vocational education to serve the needs of all persons in all communities.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Vocational research:				
(a) Innovation:				
New awards	$ 3,760,732	$ 3,760,732	$ ---	$ -3,760,732
Number	100	100		
Non-competing continuations	12,239,268	12,239,268	---	-12,239,268
Number	263	263		
Total	16,000,000	16,000,000	---	-16,000,000

Narrative

Program Purpose

To stimulate and demonstrate new ways to create a bridge between schools and earning a living for young people, Part D of the Vocational Education Act authorizes grants and contracts to the States, based on a formula prescribed in the Act. Programs must be directed to the job preparation needs of those who end their education at or before completion of the secondary level, or who are in post-secondary programs, and for exemplary and innovative programs or projects which are designed to broaden occupational aspirations and opportunities for youths, particularly disadvantaged youths, and to serve as models for use in vocational education programs. Fifty percent of each State's allotment is for use by the State Board for Vocational Education, and the remaining fifty percent is reserved by the U.S. Commissioner of Education for project grants or contracts within the State. The Act provides that funds reserved by the Commissioner shall remain available until expended and amounts available to State Boards shall be available for obligation for two fiscal years. No matching is required for this multi-year program.

Plans for fiscal year 1976

Funds for this activity will be requested under new legislation which will replace this authority. Emphasis will be placed on innovative projects reflecting a shift in Federal priorities from basic support to capacity building and focusing on activities to improve the efficiency and effectiveness of vocational education.

Accomplishments for fiscal years 1974 and 1975

The Federally-administered Part D funds in Fiscal Year 1974 were used to launch or continue a total of 65 projects that were designed to demonstrate improved systems for the occupational development, the preparation and placement of young people enrolled in kindergarten through Grade 14. Demonstration projects were operational in each of the 56 States and territories. The prior Part D experience and completed developmental work permitted these new and continuing projects to concentrate on problem areas such as the junior high and senior high exploration and preparation segments as well as on improved systems of occupational guidance, counseling and placement.

In fiscal year 1975, a total of 63 projects were supported of which 53 were continuation projects. Ten newly initiated Federally administered projects focused on the demonstration of cluster curriculums at the secondary level that were developed for the primary purpose of broadening and improving the occupational preparation options of young people. In addition, these projects are emphasizing the improvement of occupational guidance, counseling and placement services at the secondary level and the articulation of programs from kindergarten through grade 14.

The State-administered Part D funds served to reinforce the Federally-administered efforts in fiscal years 1974 and 1975. In fiscal year 1974, technical assistance was provided to the State Boards of Vocational Education to assist them in using their portion of the Part D funding to facilitate State-wide implementation of occupational development, preparation and placement programs. While statistical information is not yet verified, it can be estimated that they initiated or continued approximately 300 projects, half of which were focused on the improvement of occupational development and placement, and half of which were focused on the improvement of occupational preparation opportunities at the secondary and post-secondary levels.

In fiscal year 1975, the States again continued to use their portion of Part D funding to spread components of K-14 occupational development and preparation models to other school districts throughout each State, with appropriate revisions and modifications to meet varying local conditions and needs. If their prior responsiveness to Federal leadership prevails, it can be anticipated that increasing emphasis in fiscal year 1975 will be placed by the States on broadening and improving the secondary and post-secondary level preparation opportunities for young people.

Supplementary Data:

Fiscal Years 1974 and 1975

	FY 1974		FY 1975	
	No. Projects	Amount	No. Projects	Amount
State Grants				
New Starts	90	$2,400,000	90	$2,400,000
Continuation	210	5,600,000	210	5,600,000
Discretionary Grants				
New Start	5	854,800	10	1,360,732
Continuation	60	7,145,200	53	6,639,268

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Vocational research:				
(b) Curriculum Development:				
New awards.................	$1,000,000	$1,000,000	$ ---	$-1,000,000
Number..................	10	10		
Non-competing continuations...........	---	---	---	---
Total.............	1,000,000	1,000,000	---	-1,000,000

Narrative

Program Purpose

To provide for the development, testing, and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curricula for new and changing occupational fields, and vocational teacher education, Part I of the Vocational Education Act authorizes grants and contracts with colleges and universities, State boards, and other public or nonprofit private agencies and institutions for curriculum development in vocational and technical education. It further provides for: developing standards for curriculum development in all occupational fields; coordinating the efforts of the States with respect to curriculum development and management; surveying curriculum materials produced by other agencies; evaluating vocational-technical education curriculum materials; and training personnel in curriculum development. No matching funds are required.

Plans for fiscal year 1976

Funds for this activity will be requested under new legislation which will replace Part I authority. Emphasis will be placed on innovative projects reflecting a shift in Federal priorities from basic support to capacity building and focusing on activities to improve the efficiency and effectiveness of vocational education.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, 28 projects were funded in six major categories at a leve of $5,920,670 including 1973 released funds. There were 18 new starts and 10 continuation projects.

The following major categories were addressed:

(1) Curriculum Coordination. Five curriculum coordination centers were funded for an additional year for a total of $200,000 thus maintaining the seven-center national network for coordination of State curriculum activities and information sharing services to reduce duplication of efforts. Two centers continued their operation under previous year funding.

(2) Occupational Clusters. The development, evaluation and testing of instructional materials for vocational education involved 10 new projects and three continuations in the amount of $3,183,330. New awards were made to the occupational clusters of marine science, hospitality and recreation, personal services, arts and humanities, consumer and homemaking, public service, and business and office

occupations. In addition two projects centered on a combination of clusters to meet the special needs of Indian youth and of Spanish-speaking migrants. The continuation awards were made in the agri-business and the health occupations clusters.

(3) Specialized Curriculum Development. Four projects were funded for specialized curriculum development and testing in the amount of $1,112,684. The three new awards were for the development of metric education materials, a model paralegal education curriculum, and a placement services guide and training. The continuation was for the final phase of a laser and electro-optical technology program.

(4) Curriculum Personnel. Two new awards totaling $886,228 were made to develop curricula for training vocational education curriculum specialists at the advanced level. These are to be demonstrated by a land grant institution and by a consortium of institutions with external degree plans.

(5) Bases for Curriculum Work. A total of $153,678 was awarded for three projects designed to provide the bases for curriculum work which may be needed in succeeding years. One project was a feasibility study on the home as a learning center for occupational and family life education. The others involved the status and progress of career education and related materials dissemination.

(6) Television Dissemination. One new project was funded for $384,750 for the devrlopment of occupationally focussed films using the characters from the Peanuts comic strip.

A total of ten projects were funded in fiscal year 1975 at the appropriation level of $1,000,000. These awards provided for the following projects:

(1) Reorganization of the national network for curriculum coordination so that six centers for coordination and information-sharing will begin a multi-year funding arrangement under a rotation plan.

(2) Development of a self-supporting system for identifying and diffusing appropriate DOD materials in secondary and post-secondary vocational education settings.

(3) Development and testing of criteria for determining emerging occupations and their implications for curriculum development at post-secondary level.

(4) Development of a training program in pilot and field testing for current project directors and monitors.

(5) Reproduction and dissemination of film prints and workbooks using products developed in fiscal year 1974 from the common core materials, Public Service cluster.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Vocational research:				
(c) Research:				
New awards.............	$12,000,000	$12,000,000	$ ---	$12,000,000
Number...............	145	145		
Non-competing continuations.................	6,000,000	6,000,000	---	6,000,000
Number...............	108	108		
Total...........	18,000,000	18,000,000		18,000,000

Narrative

Program Purpose

To provide programs for research; training programs to familiarize personnel with research results and products; developmental, experimental, or pilot programs designed to meet the special vocational needs of youth; demonstration and dissemination; and to support the operation of the State research coordinating units, Part C of the Vocational Education Act of 1963, as amended, authorizes grants and and contracts to the States based on the formula prescribed in the Act. Fifty percent of the appropriation is allocated for use by the State boards for vocational education and the remaining fifty percent is reserved by the U. S. Commissioner of Education for direct Federal grants and contracts. Matching requirements call for 75 percent Federal and 25 percent State funding for the operation of the research coordinating units, and 90 percent Federal and 10 percent State and local funding for State-administered projects. No matching is required for funds reserved by the Commissioner, however, cost-sharing is required.

Plans for fiscal year 1976

Funds for this activity will be requested under new legislation which will replace the Part C authority. Emphasis will be placed on innovative projects reflecting a shift in Federal priorities from basic support to capacity building focusing on activities to improve the efficiency and effectiveness of vocational education.

Accomplishments for fiscal years 1974 and 1975

During fiscal year 1974, of the $9,000,000 made available, the States utilized approximately $2,500,000 for the maintenance and operation of their Research Coordinating Units. About $6,500,000 was used by the States to support field-initiated projects. There were about 130 such projects, including long-range, in-depth projects continued from 1973. The discretionary funds of $9,000,000 administered at the Federal level supported projects in five major areas. These areas included: (1) curriculum studies, (2) supplementary services for the handicapped, disadvantaged, and minority, (3) guidance, counseling, placement, and student follow-up services projects, and (5) manpower information and systems project for education. These projects are 18 month in duration and the result should be forthcoming towards the end of calendar year 1975.

In fiscal year 1975, the States will continue to use their allocations for the operation and maintenance of the State Research Coordinating Units and to support about 150 field-initiated projects. Those funds allocated for direct Federal grants by the Commissioner of Education will be used to support about 103 projects in five major areas. The approximate distribution of these discretionary funds is planned as follows:

(a) Curriculum, demonstration, and installation studies - Approximately 15 applications will be funded with $750,000 to support projects that produce information to undergird curriculum Project development, demonstration and installation efforts in vocational education.

(b) Personnel serving the disadvantaged, handicapped and minorities - Approximately twenty applications will be supported with $2,000,000 to produce and test materials for use in training vocational educational personnel in schools who work with disadvantaged, handicapped, and minority youth.

(c) Improvement of administration at theState level - Approximately 25 applications will be supported with $2,000,000 to improve management information systems for vocational education at the State level.

(d) Improvement of administration at the local level -Approximately 15 applications will be supported with $750,000 to improve the administration of vocational education at the local level.

(e) Comprehensive systems of guidance,counseling, placement, and follow-through services - Approximately, twenty applications will be supported with $2,000,000 to improve the delivery of guidance systems and services.

Eight additional projects will be supported with $1,500,000. One project which is in its fourth year of operation, produces a base-line of information about vocational education. Several projects are focused on minority leadership and minority business enterprise as related to vocational education, and another project disseminates research and development information and materials to vocational education practitioners.

SUPPLEMENTARY DATA:

	FY 1974		FY 1975	
	No. Projects	Amount	No. Projects	Amount
State grants				
New Awards.....	30	$4,500,000	50	$4,500,000
Continuations..	100	4,500,000	100	4,500,000
Total.....	130	9,000,000	150	9,000,000
Discretionary				
New Awards.....	82	7,897,000	95	7,500,000
Continuations..	3	1,103,000	8	1,500,000
Total.....	85	9,000,000	103	9,000,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education Personnel				
(a) Teacher Corps:				
New Awards............	$15,500,000	$15,500,000	$20,800,000	$+5,300,000
Number..............	120	120	160	
Non-competing continuing awards...	22,000,000	22,000,000	16,700,000	-5,300,000
Number..............	260	260	227	
Total...........	37,500,000	37,500,000	37,500,000	---
	380	380	387	

Narrative

Program Purpose

To strengthen educational opportunities for children of low income families and to improve the quality of programs of teacher education, funds are requested under Part B of the Education Professions Development Act. The Education Amendments of 1974 (P.L. 93-380) broaden the scope of the program to include demonstration projects for retraining experienced teachers and teacher aides. New Teacher Corps 'sites', therefore, include experienced teachers, inexperienced teacher-interns, community volunteers and paraprofessionals. Grants and contracts are awarded to local education agencies and institutions of higher education. In the case of corrections 'sites', other institutions and agencies as determined by the Commissioner are eligible. There is a 10% matching requirement on corps members' salaries and benefits in the local education agency budgets.

Each 'site' in Teacher Corps involves two or more 'project' grant awards generated from one grant application which is funded for a total of two years. Funds granted for each fiscal year support new starts of a 15-month duration as well as continuations for 9 months of ongoing 'sites'. During the 15-month period, training is provided for preservice, the first school year and intervening summer phases. The 9-month period for continuation provides training for the second school year of the effort. The rationale for using this funding cycle is two-fold: (1) to provide for assessment of a 'site' 15-month performance prior to negotiating the last 9-month academic period and (2) to ensure continuity of the intervening summer activities support at the beginning of the new fiscal year.

Teacher Corps focuses on the staff needs and development in individual cooperating schools. Each 'site' has school, university and community-based components and the training and retraining efforts are integrated to support long-range local efforts in achieving the legislative mission of the program. The new focus on demonstrating the implementation of the five strategies: (1) training complexes; (2) competency-based teacher education: (3) training for implementing alternative school designs; (4) interdisciplinary training approaches; and (5) training for systematic adaptation of research findings.

Plans for fiscal year 1976

The $37,500,000 requested will support approximately 227 continuing projects contained in 106 'sites', and will provide for an additional 160 projects in 65 'sites' incorporating various aspects of the new legislation in new and revised project formats;

- Projects will emphasize the demonstration of new strategies for the training of interns, experienced teachers, and teacher aides.

- The program will emphasize the integration of preservice and inservice training programs in a field based situation within the cooperating school. This will include training for the adaption and demonstration of products and processes either from prior exemplary Teacher Corps 'sites' (and developmental efforts), from the National Institute of Education, or from locally developed systematic solutions to personnel development problems of general interest. The unique purpose of this demonstration activity will be to help teachers use proven practices in the schools. With the increase in emphasis on 'demonstration' comes a diminishing of 'service' aspects and thus the overall number of projects in fiscal year 1976 will decrease slightly from fiscal year 1975, but the longer range impact of Teacher Corps should be strengthened.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, the Teacher Corps, through university, school and community collaboration, provided training for approximately 5,864 participants and experienced teacher team leaders serving in 367 projects located at 128 college and university 'sites'. These arrangements permitted on-site instruction to occur and provided a basis for the field testing of new ideas and concepts in teacher methodology; for identifying special pupil needs, diagnosing specific strengths and weaknesses and prescribing learning activities that enable corps members to more effectively work with children who have learning and behavioral problems in the regular classroom.

New and continuing efforts operating in 1975 included some 7,247 participants serving in 380 projects which were located in approximately 151 'sites'.

Supplemental Fact Sheet
Teacher Corps

1975	Participants	Project	Sites
New Awards	3,220	120	65
Continuations	4,027 1/	260 1/	86 1/
Total	7,247	380	151
1976			
New Awards	3,220	160	65
Continuations	5,720 2/	227 2/	106 2/
Total	8,940	387	171

1/ Of these numbers, 2,500 participants in 107 projects, 41 sites were funded from FY 1974; however, they are inservice and receiving additional support during FY 1975, due to the multi-year funding structure of Teacher Corps.

2/ Of these numbers, 3220 participants in 120 projects at 65 sites will be funded from FY 1975; however, they will be inservice and receiving additional support during FY 1976, due to the multi-year funding structure of Teacher Corps.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education Personnel:				
(b) Other education personnel development:				
(1) Urban/rural school development Non-competing continuations....	$5,541,100	$5,541,100	$5,212,000	$-329,000
Number.........	31	31	31	---

Narrative

Program Purpose

To provide grants to school districts to demonstrate new ways to utilize comprehensive in-service personnel development as a means to improve educational services to a target population of students from low-income families, funds are requested under the Education Professions Development Act, Part D. Three types of awards are made: (1) grants to intensively retrain the entire staffs of a single school or a set of schools making up one feeder system: (2) grants for retraining of less intensive nature than (1) above but covering a larger number of schools within a district: (3) grants to establish staff development centers run by State education agencies in cooperation with local school districts and designed to provide centralized facilities for district-level inservice training. Each model emphasizes cooperation with local school/community councils in order to test the feasibility of stimulating greater citizen involvement in the educational process. Institutions of higher education also participate in each site. The program also includes special developmental assistance components designed to assist the demonstrations by providing specialized staff training materials, emphasizing performance-based methods. This multi-year funded program is designed to cover a five year period ending in fiscal year 1976.

Plans for fiscal year 1976

The funds requested for fiscal year 1976 will provide final Federal support to phase out the 31 projects involving 3,500 school staff and community members. During this time, an assessment will be made of the program's achievements over the five-year period, including the analysis started in fiscal year 1975 of the lessons learned from individual projects. The results of these efforts will be further disseminated to educational administrators, planners, teachers and others for their use. Technical guidance will continue to be provided so that an orderly transition to non-government funding can occur.

The reduction in funds for fiscal year 1976 reflects the completion of supporting developmental assistance projects whose objectives have been met.

Accomplishments for fiscal years 1974 and 1975

During fiscal year 1975 the urban/rural program will: (1) support 31 existing projects and programs reaching approximately 3,500 school staff and community members; (2) develop analyses of lessons learned from individual projects, based on materials now being tested for validity and usefulness, and transmit these to all State education agencies and a projected 500 school districts and institutions of higher education; and (3) develop further data on the effectiveness of total staff inservice training techniques as a strategy for school reform in areas such as special education. In on-going projects emphasis will be placed on institutionalizing the positive changes which the program has achieved, in order to assure permanent improvements after Federal funds are withdrawn.

Fiscal year 1974 funds supported 27 demonstration projects and four developmental assistance projects in the third year of their five-year cycle. Five of these are type I projects, twentyare type II, four are type III and two are special projects.

In addition to the general provision of evaluative and developmental aid to individual projects, the program accomplished the following by the end of fiscal year 1974:

1. Completion of a variety of developmental assistance projects designed to advance the State of the art in teacher education. These include:

   - Project TREND (targeting resources to the educational needs of the disadvantaged), which was designed to develop ways to coordinate inter-agency efforts to improve the education of low income children.

   - Task Force 1973 projects, designed to improve the state of the art in performance-based teacher education. As a result of this project and other support, performance-based methods have been disseminated throughout the educational system; further development of this increasingly important trend has largely been assumed by State and local agencies and institutions of higher education.

   - A leadership training institute to develop teacher education protocol and training materials -- media-based efforts to illustrate important elements of teaching.

   - A leadership training institute for project directors and school-community council members. Materials handbooks that will facilitate the training of school and community staffs in methods of cooperative and program development are in the process of dissemination.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education personnel:				
(b) Other education personnel development:				
(2) Career opportunities program:				
Noncompeting continuations..	$1,784,000	$1,784,000	---	$-1,784,000

Narrative

Program Purpose

To demonstrate alternative career patterns within the educational system grants were authorized under the Educations Professions Development Act, Part D, as a five-year program ending in fiscal year 1975. The program emphasizes paraprofessional training methods along "career ladders" by which paraprofessionsls can become fully certified educational personnel. Training has been targeted on Vietnam-era veterans and low-income and minority participants. The program has demonstrated ways to involve community people more fully in the educational process and has developed new modes of cooperation among State and local educational agencies and institutions of higher education.

Plans for fiscal year 1976

No funds are requested for this activity in fiscal year 1976 since the final year of this five-year effort was met in fiscal year 1975.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1975, the program provided funding for the fifth and final year for the last 14 projects. Except for these 14 projects the career opportunities program was terminated in fiscal year 1974. In addition:

1. more sophisticated data were gathered and analyzed on the impact of the career opportunities program, and these data were shared with the National Institute of Education in order to construct research and development priorities for future efforts in teacher education, and
2. on-going efforts to institutionalize the changes which began as a result of the career opportunities program were strengthened.

The packaging of results of case studies and data analysis for general dissemination throughout the educational system was completed.

During fiscal year 1974, most of the projects in this program completed their scheduled five-year period of operation. A total of 132 demonstration projects were supported, of which 118 were in their final year. These projects trained 7,488 participants during that period of which 5,547 were minority members. The total number of participants since the program began is 13,477.

SUPPLEMENTAL FACT SHEET

Career Opportunities Program

		Number of Participants
Total participants since program started (Including projections for 1975)		[illegible]4,477
Veterans		1,866
Participants, 1972-1973		9,358
Participants, 1974-1975		7,488
Participants, 1975-1976 (estimated)		556
Black	250	
Chicano and Puerto Rican	90	
Indian	26	
Subtotal	366	
White	140	
Others	50	
(Above total includes veterans	25	

Available evidence indicates that the career opportunities program has had its greatest effect in changing institutional patterns of training and recruitment. In local education agencies which participated in the program, both acceptance of and demand for paraprofessionals has increased, while career opportunities program aides have been effective in increasing the linkages between school systems and the communities they serve. Both State educational agencies and institutions of higher education have changed their certification/training requirements in order to accommodate paraprofessionals.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education personnel:				
(b) Other education personnel development:				
(3) Categorical programs:				
(a) Indian programs				
Competing continuations....	$406,950	$406,950	---	$-406,950

Narrative

Program Purpose

To train elementary and secondary school teachers for Indian children living on reservations, project grants are authorized by Part D of the Education Professions Development Act to institutions of higher education, Indian organizations and tribes, and Indian controlled schools. Preference in training is given to Indians.

Plans for fiscal year 1976

No funds are requested for this categorical program in fiscal year 1976. Financial assistance for persons who wish to become teachers of Indian children is available in the form of general student support under the higher education budget. Furthermore, support for training teachers of Indian children is available under the Indian education budget.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, funds were used to support 29 projects in twenty States for a cost of $2,366,190. Since this program is forward funded, these projects operated in fiscal year 1975 (academic year 1974-75). Of these 29 projects, 16 were continuations from the year before. In addition, another $99,000 was used to continue Indian educational administrator training programs at three universities. Three of the projects were used to support satellite programs at four to ten additional locations. The preponderance of the projects provided training for more than 1,000 teacher aides, most of whom are desirous of completing at least a baccalaureate degree and becoming certified teachers. Other projects provide retraining for current teachers, full-time undergraduate teacher training, and graduate training for teachers and guidance counselors. Grantees included 17 institutions of higher education, one local education agency; two Indian controlled schools; four tribes; four Indian organizations; and one Indian community college. A total of 1,500 Indians and 200 non-Indians participated in this program. In fiscal year 1975, funds will be used to continue 3-5 of these projects.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education personnel:				
(b) Other education personnel development:				
(3) Categorical programs:				
(b) Bilingual programs				
Competing continuations..	$406,950	$406,950	---	$-406,950

Narrative

Program Purpose

To increase the number of qualified educational personnel serving or preparing to serve in bilingual education programs for children of limited English-speaking ability and to increase the number of educational institutions capable of training such personnel, project grants, authorized by Part D, section 531, of the Education Professions Development Act, are made to institutions of higher education, State and local educational agencies, or combinations of these agencies. Grants are made for the purpose of preparing teachers and other personnel to use languages for all or a portion of regular classroom subjects and school experiences. Training focuses on the use of the mother tongue of the target pupil and English as a second language.

Plans for fiscal year 1976

No funds are requested for this categorical training program in fiscal year 1976. Financial support for persons interested in a career in bilingual education will be available in the form of general student support. In addition, support for the training of bilingual teachers is authorized under Title VII of the Elementary and Secondary Education Act.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, funds were utilized for the support of 21 bilingual education projects in 14 States with expenditures totaling $2,311,367. Grantees included three local education agencies, one State education agency, and 17 institutions of higher education. The 21 projects provided training for teachers and qualified educational personnel serving in schools with children who have limited English speaking ability. The range of grants was from $39,313 to $245,545. The projects supported programs by language, involving: 12 Spanish-speaking; 5 Indian; one Chinese; two Chinese and Japanese; and one Micronesian. There were 1,650 participants ranging from teachers in service to teacher aides, prospective teachers, and trainer of teachers. In fiscal year 1975, funds will be used to continue 3-5 of these projects.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Educational Personnel:				
(b) Other education personnel development:				
(4) Educational leadership New awards................	$ ---	$ ---	$3,000,000	$+3,000,000

Narrative

Program Purpose

The principal, as the key to the climate and conduct of the school has, with increased decentralization of decision-making authority, community involvement and accountability demands, a need for more and improved management, planning and evaluation skills than previous education and experience have generally afforded. The new educational leadership program will provide elementary and secondary school principals improved management, planning and program evaluation skills. The program will give priority to principals from Title I, ESEA - eligible schools.

Through this program, participants will develop increased ability in such areas as management by objectives, systems analysis and planning, data processing and analysis and program development and management. By giving principals these management skills, the program is expected to yield significantly improved educational performance at the level of the individual school.

Plans for fiscal year 1976

There are several approaches to the general objective of giving principals improved management training. In order to determine the most effective mode for this training, in fiscal year 1976 the program will experiment with two significantly different strategies.

1. Creation of one or two Educational Leadership Centers. These Centers would offer semester-long and summer training to selected Principal-Fellows in an academic setting. In addition, Center staff would serve as consultants and would run on-site in-service workshops for other principals during the school year. The Fellows will participate in the in-service workshops. The Centers will emphasize formal, academic instruction drawing on the concepts and resources of several disciplines (e.g. management science, planning techniques, computer applications). Instruction would begin with a general introduction to management theory, progressing to application studies using simulations and case studies.

2. Support for training projects in selected local education agencies. These projects would offer part-time training to about 15-20 principals each. As far as possible this training will be carried out at actual school-site, in order to increase the realism of the curriculum. Released-time arrangements will be made with the local education agencies; participating principals will be expected to contribute a limited amount of their personal time. The LEA's from which the participants will be selected will commit themselves to the establishment of 3-5 staff development workshops per year through which other principals in the district will share in a less intensive way the insights and experiences of the primary training. Principals participating in the project will develop needs assessment documents covering their own and their schools' priority needs. These needs will be validated by parallel assessments by two other participating principals. From a synthesis of these assessments the management needs of the principal will be developed.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education personnel:				
(b) Other education personnel development:				
(5) Vocational education				
New starts...............	$9,000,0000	---	---	---

Narrative

Program Purpose

To recruit and train individuals in the areas of career and vocational education, project grants were awarded under the Education Professions Development Act, Part F to State and local education agencies and institutions of higher education. There are two programs authorized by Part F. Section 552, Leadership Development Program, awards funds to universities whose approved programs have been selected by qualified individuals for developing their leadership potential. The funds are for an institutional allowance and the stipend/dependency allowance cost for indivisuals. Section 553, State Systems Program, pays the training costs to a State Board for Vocational Education for cooperation arrangements to meet the unmet personnel development needs of States in order to improve the quality and effectiveness of vocational programs.

Plans for fiscal year 1976

No funds are requested for this categorical training program in 1976. The program will be incorporated into the new legislation for vocational education which is proposed for later transmittal.

Accomplishments in fiscal years 1974 and 1975

The Education Professions Development Act appropriations are forward funded. As a result, the accomplishments listed here are based on fiscal year 1974 funding for school year 1974-75.

Twenty-eight institutions of higher education were approved in fiscal year 1974 to conduct comprehensive, graduate-level, vocational education leadership development programs beginning the September, 1974. Three hundred forty-seven eligible individuals were nominated by State Boards for Vocational Education. These individual awardees are participating in the twelve month programs conducted at twenty-eight institutions. The institutional programs do not terminate until August, 1975. The actual program at each of the institutions is indivudualized and designed to develop the leadership potential of each of the 347 awardees. Internships and other participatory learning experiences are primary components of most of these individualized plans.

With fiscal year 1974 funds, grants were issued by the Office of Education Regional Offices to 56 State Boards for Vocational Education to pay the costs of the training activities for over 300 cooperative arrangements. The average grant issued was $147,625 which ranged from the $35,000 granted to the Virgin Islands to $880,778 granted to California. Each of the cooperative arrangements submitted by a State Board was reviewed and approved in competition with the submissions of other States within a region. These grants terminate by August, 1975. Training activities vary from training administrators in fifteen States in systematic management of vocational education to the training of 30 health occupations teachers on the construction of competency based modules and to synthesize guidelines. It is estimated that over 52,000 vocational educational education personnel will have participated in the activities funded.

Because financial assistance for those who wish to pursue a career in vocational education is available in the form of general student aid, a rescission of the amount appropriated in fiscal year 1975 has been proposed.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Education personnel:				
(b) Other education personnel development:				
(6) Higher education Non-competing continuations......	$2,100,000	---	---	---
Total..........	2,100,000	---	---	---

Narrative

Program Purpose

To train present or prospective college teachers at less than the doctoral level, and administrators and educational specialists through the doctoral level, the Higher Education Act of 1965, Part E, Title V authorized grants to and contracts with colleges and universities. Funds may be used to support institutes and short term training programs, and fellowships for full-time graduate study. Funds in support of institutes and short-term training programs cover the direct operating costs of the program, the indirect costs, and provide stipends for participants. Awards for fellowship programs provide stipends for graduate fellows and an institutional cost-of-education allowance for each student. Fellowships may not be used for graduate programs eligible for support under Title IX B, HEA, (formerly Title IV of the National Defense Education Act).

Plans for fiscal year 1976

Funds are again not being requested in fiscal year 1976 because of the general surplus of persons available to teach at the postsecondary level.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, funds appropriated for fellowships permitted the support of 47 programs and 316 fellowships. Of the 316 fellowships 250 were new and 66 continuations. The new fellowships were for one year only. Due to the surplus of persons available to teach at the postsecondary level, a rescission of the amount appropriated in fiscal year 1975 has been proposed.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease	1977 Estimate
Adult Education....	$67,500,000	$63,319,000	$67,500,000	$+4,181,000	$67,500,000

Narrative

Program Purpose

To assist the States in eliminating functional illiteracy among the Nation's adults sixteen years of age and older, the Adult Education Act, as amended by the Education Amendments of 1974, authorizes grants to States. The main objective is to support programs which teach communication, computation, and social living skills to educationally disadvantaged adults to enable them to become employable, productive, and responsible citizens. The grants are made to States under a formula based on the number of adults within the State who lack high school equivalency and who are not enrolled in school. Federal funds support up to 90% of the cost of each State's program, while each State is required to pay not less than 10% of the total cost. Federal funds support 100% of the cost of adult education programs in the Trust Territory. State education agencies administer the program in accordance with State plan and local communities participate by submitting proposals to the State education agency.

This program is directed toward the more than 52,500,000 adults in this country, sixteen years of age and older who lack a twelth grade level of education and provides that up to 20 percent of the funds appropriated to each State may be made available for high school equivalency programs. At least 15 percent of each State's allotments must be used for special demonstration and teacher training activities formerly funded directly by the U.S. Commissioner of Education. The law further authorizes that up to another 20 percent of each State's allotment may be used for the education of adults in institutions. State advisory councils on adult education may be supported and special assistance is to be given to the needs of persons with limited English-speaking ability.

In fiscal year 1975, funds were appropriated for both fiscal year 1975 and fiscal year 1976 placing this program on an advance funded basis. Therefore, the fiscal year 1976 request will be for use in fiscal year 1977.

Plans for fiscal years 1976 and 1977

An amount of $67,500,000 was appropriated in fiscal year 1975 for use in fiscal year 1976 to fund school year 1975-76. The same amount is requested on an advance funded basis in fiscal year 1976 for use in school year 1976-77.

During each of these periods, approximately 1,000,000 adults with less than a high school level of education will participate in programs which will provide them with skills in speaking, reading, or writing the English language so that they can improve their ability to benefit from occupational training and increase their opportunities for more productive and profitable employment and be better able to meet their adult responsibilities.

To upgrade employability and life skills and reduce dependency of adults in their early productive years, the States are expected to provide adult education to about 80% of the total participants or 800,000 persons in the age group 18-44 who have less than a 12th grade education.

The States are expected to provide instructional programs for about 80,000 persons 55 years of age and older to equip them to deal successfully with the practical problems of everyday life, including making purchases, transportion, housing, and compliance with government requirements such as social security or public assistance. In addition special programs of instruction will be provided for an estimated 104,000 institutionalized adults to provide them employment and social living skills upon their release, and about 300,000 persons of limited English-speaking ability will receive bilingual education instruction coordinated with other Federally-funded bilingual education programs.

At least 15 percent of each State's allocation will be utilized for special demonstration projects and teacher training programs. In promoting effective adult programs, the special demonstration projects will involve the use of innovative methods, systems, materials, or programs of National significance or special value. These projects may be carried out in cooperation with other Federally assisted programs. The States are expected to provide training opportunities for about 5,000 persons engaged in or preparing to engage in adult education programs.

By the end of school year 1976-77, most States are expected to have operating State Advisory Councils on Adult Education which will advise the State agency and the administration of the program, long-range planning, studies, evaluations and other program activities. These councils will also submit annual reports with recommendations and other comments to the State agency and the National Advisory Council on Adult Education.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1975, with an amount of $63,319,000, approximately 959,000 adults, sixteen years of age and older were enrolled in adult education classes. About 767,000 of these persons were in the priority age group 18-44 with less than an eighth grade level of education. About 170,000 students completed the program with an eighth grade level of education. In addition, English as a second language was provided to 288,000 persons. Under the new set-aside, required by the Education Amendments of 1974, the States supported special demonstration projects and teacher training projects. The revised budget reflects a proposed rescission of $4,181,000.

In fiscal year 1974, with an amount available of $63,386,000, 959,000 adults were enrolled in adult education programs. Forty-seven special demonstration projects were supported at a cost of $6,562,[illegible]00 and 18 teacher training projects supported 22,000 participants.

SUPPLEMENTAL FACT SHEET

Adult Education

	FY 1975 (School Year 74/75)	FY 1976 (School Year 75/76)	FY 1977 (School Year 76/77)
Total Participants	959,000	1,000,000	1,000,000
By Age Group			
16-24	343,993	358,700	358,700
25-34	263,365	274,500	274,500
35-44	171,278	178,600	178,600
45-54	100,120	104,400	104,400
55-64	52,457	54,700	54,700
65 and Over	27,907	29,100	29,100
By Sex			
Male	421,960	440,000	440,000
Female	537,040	560,000	560,000
Participants with limited English speaking ability	287,700	300,000	300,000
Institutionalized:	99,736	106,000	106,000
Correctional Institutions	80,556	84,000	84,000
Hospitals	19,180	20,000	20,000

Program Purpose and Accomplishments

Activity: Grants to States for vocational education
(a) Basic vocational education programs (VEA, Part B)

	1975 Estimate	1975 Revised	1976	
			Authorization	Budget Estimate
Annual.....	$420,978,000	$405,347,000	$306,000,000	$ 1/
Permanent..	7,161,455	7,161,455	7,161,455	7,161,455

1/Proposed for later transmittal.

Purpose: Authorizes grants to assist States in maintaining, extending, and improving existing vocational education programs and to develop new programs in vocational education.

Explanation: Matching grants are made to the States on a formula basis for vocational education programs, including the construction and remodeling of facilities. Forty percent of each State's allotment must be set-aside for specific purposes: (1) 15 percent for disadvantaged; (2) 10 percent for handicapped; and (3) 15 percent for postsecondary programs. State-wide matching is required on a dollar-for-dollar basis.

Accomplishments in 1975: An estimated 9,950,000 students are enrolled in basic vocational education programs in 1975.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Grants to States for vocational education
(b) Programs for students with special needs (VEA, Section 102(b))

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$20,000,000	$20,000,000	$60,000,000	1/

1/ Proposed for later transmittal.

Purpose: Provides grant support for programs for persons who have academic, socio-economic, or other handicaps that prevent them from succeeding in the regular vocational education programs.

Explanation: Formula grants are made to the States based on population by age groups and per capita income. No matching is required.

Accomplishments in 1975: In fiscal year 1975, 201,000 disadvantaged students were provided special services to help them succeed in their career preparation. This is an increase of 17,000 over 1974.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Grants to States for vocational education
(c) Consumer and homemaking education (VEA, Part F)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$35,994,000	$30,994,000	$50,000,000	1/

1/ Proposed for later transmittal.

Purpose: To meet the need of today's families, especially those in economically depressed areas, emphasis is placed on programs that aid these people in their relationship with the marketplace; programs dealing with concepts of credit; how to understand contracts, warranties, or guarantees; use of Federally donated foods or buying with foods stamps; the use of supermarkets, credit unions and banks.

Explanation: Formula grants are made to the States for programs in consumer and homemaking education. States must use at least one-third of the Federal funds allotted in economically depressed areas or areas with high rates of unemployment. Fifty percent matching is required except in economically depressed areas or areas which high rates of unemployment where matching is 90 percent Federal - 10 percent matching.

Accomplishments in 1975: In fiscal year 1975, an estimated 3,675,000 youth and adults are enrolled in consumer and homemaking education programs. This is an increase of 260,000 enrollees over the 1974 level.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Grants to States for vocational education programs
(d) Work-study (VEA, Part H)

1975	1975	1976	
Estimate	**Revised**	**Authorization**	**Budget Estimate**
$9,849,000	$7,849,000	$55,000,000	1/

1/ Proposed for later transmittal

Purpose: Supports State projects that help young people ages 15-20 begin or continue vocational training by providing them with part-time employment to pay educational costs.

Explanation: Formula grants are made to the States for the development and administration of the program and for compensation of students by the local educational agency or other public agencies or institutions. Federal funds may be used to pay 80 percent of the States' expenditures.

Accomplishments in 1975: The 1975 revised estimate would result in preventing 39,000 economically disadvantaged vocational education students from dropping out of school.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Grants to States for vocational education programs
(e) Cooperative education (VEA, Part G)

1975	1975	1976	
Estimate	**Revised**	**Authorization**	**Budget Estimate**
$19,500,000	$19,500,000	$75,000,000	1/

1/ Proposed for later transmittal.

Purpose: Supports cooperative education programs which combine work experience with formal education. Funds are used for supervisory and other costs of instruction. Local school districts arrange with private industry or public agencies for employment related to student vocational objectives; employers pay wages equal to the value of work produced.

Explanation: Formula grants are made to the States for financial assistance for personnel to coordinate cooperative programs; to provide instruction related to work experience; to reimburse employers for certain costs; and to pay costs for certain services to students. No Federal funds are paid directly to the students for their work. Compensation due them for their period of on-the-job training is paid by the employer. Federal funds may be used for all or part of a State's expenditure for programs authorized and approved under this part.

Accomplishments in 1975: The fiscal year 1973 enrollment for cooperative education was 196,000, an increase of 19,000 enrollees over 1974. About 80 percent of the funds were expended in areas designated by the States as having high rates of school dropouts and youth unemployment.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Grants to States for vocational education programs
(f) State Advisory Councils (VEA, Section 104(b))

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$4,316,000	$4,316,000	Indefinite	1/

1/ Proposed for later transmittal

Purpose: To advise State Boards of Vocational Education on the administration of State plans; evaluate vocational education programs, services, and activities; and prepare and submit an evaluation report on the vocational education programs carried out during the year.

Explanation: Section 104(b) of the Vocational Education Act of 1963 requires each State to establish a State Advisory Council in order for the State to receive a grant under Title I of the Act. The State Councils must be established prior to the beginning of the fiscal year in which the State plans to participate in Federal vocational education programs.

Accomplishments in 1975: In fiscal year 1975, the State Advisory Councils from all 56 States and territories submitted reports of evaluation efforts of State vocational education programs.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Vocational Research
(a) Innovation (VEA, Part D)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$16,000,000	$16,000,000	$75,000,000	1/

1/ Proposed for later transmittal.

Purpose: To develop, establish, and operate exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

Explanation: Grants are allocated on a formula basis. Fifty percent of each State's allotment is for use by the State agency under its State plan and fifty percent is for direct grants by the Commissioner of Education. No matching is required.

Accomplishments in 1975: In fiscal year 1975, 63 projects were awarded under the Commissioner's discretionary funds. Of these, 53 were continuations of previously awarded projects and 10 new projects were awarded. A total of 300 projects were funded under the State administered authority, of which 210 were continuations and 90 were new projects.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Vocational research
(b) Curriculum development (VEA, Part I)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$1,000,000	$1,000,000	$10,000,000	1/

1/ Proposed for later transmittal.

Purpose: To develop curricula for new and changing occupations. Projects include printing and dissemination of guides, development of special curriculum and instructional materials for the handicapped and disadvantaged, development of supportive teacher and student materials, preparation of teaching aides for existing curricula and training teachers in effective uses of new curriculum materials.

Explanation: Project grants are made to colleges and universities, State boards, and other public and nonprofit private agencies, institutions and organizations for the development of program planning guides for the States and to support the development of models for the evaluation of vocational and technical education.

Accomplishments in 1975: In fiscal year 1975, 10 projects were funded for curriculum development activities, a decrease of 18 projects below 1974.

Objectives for 1975: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: Vocational research
(c) Research (VEA, Part C)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$18,000,000	$18,000,000	$56,000,000	1/

1/ Proposed for later transmittal

Purpose: Supports activities of State research coordinating units and other agencies and institutions in the development of programs and projects designed to meet the research needs of vocational education.

Explanation: Grants are awarded on a formula basis under Part C of the Vocational Education Act of which fifty percent is for use by the State agency and fifty percent is for direct grants by the Commissioner of Education. Matching is 75 percent Federal and 25 percent State and local for the research coordinating units, and 90 percent Federal and 10 percent State and local for State projects. No matching is required for funds reserved by the Commissioner.

Accomplishments in 1975: In fiscal year 1975, 103 projects were supported under the Commissioner's funding authority, of which 8 were continuations and 95 were new projects. A total of 150 projects were funded under the State administered authority, of which 100 were continuations and 50 were new projects.

Objectives for 1976: In fiscal year 1976, this activity will be requested under a new vocational education legislative program.

Activity: **Education Personnel**

(a) Teacher Corps (EPDA, Part B-1)

1975		1976	
Estimate	Revised	Authorization	Budget Estimate
$37,500,000	$37,500,000	1/	$37,500,000

1/ Amount of $450,000,000 is authorized for the Education Professions Development Act of which $37,500,000 or 25 percent, whichever is greater, is authorized for Teacher Corps based on a 1 year extension Authority under GEPA.

Purpose: (1) To improve educational opportunities for children of low income families, and (2) to improve the quality of programs of teacher education for both certified teachers and inexperienced teacher interns.

Explanation: The program brings together teams of experienced teachers and inexperienced teacher interns for the purpose of strengthening the educational opportunities of children residing in areas having concentrations of low income families. The program promotes the revision of training programs which will enable institutions of higher education to broaden their programs of teacher preparation, through a demonstration strategy for the training and retraining of educational personnel.

Accomplishments in 1975: In fiscal year 1975, approximately 380 institutions of higher education and local education agencies received federal support. Teacher Corps broadened its focus to include demonstration projects for retraining experienced teachers and teacher aides.

Objectives for 1976: The Teacher Corps request for FY 1976 is based in part on continuation costs for programs which began in FY 1974 and for new projects designed to emphasize the integration of preservice (teacher interns) and inservice (experienced teachers and Teacher-aides) training programs in a field-based situation within a total school or its equivalent. These programs will be built around a demonstration strategy that, if successful, can be replicated or transported to other school sites or shared with other districts throughout the nation.

Activity: Education Personnel:
Other education personnel development:
(1) Urban/rural school development (EPDA, Part D)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$5,541,100	$5,541,100	1/	$5,212,000

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on a 1-year extension authority under GEPA.

Purpose: The urban/rural program is a forward-funded program designed to develop and demonstrate training alternatives that enable educational personnel to improve educational services for children from low-income families.

Explanation: The Commissioner is authorized to award grants or contracts to local educational agencies, State educational agencies, and institutions of higher education.

Accomplishments in 1975: In fiscal year 1975, 31 existing projects and programs are being funded for the fourth year of a five-year cycle of activities. Approximately 3,500 school staff and community members will be reached.

Objectives for 1976: Final support will continue for 31 demonstration projects and programs in 1976. The funds requested reflects the completion of supporting developmental assistance projects where objectives have been met.

Activity: Education Personnel
(b) Other education personnel development
(2) Career opportunities (EPDA, Part D)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$1,784,000	$1,784,000	1/	---

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on a 1-year extension under GEPA.

Purpose: The Career Opportunities program was deisnged as a five-year demonstration program to develop teacher training alternatives for low-income and Vietnam-era participants to qualify them for a variety of educational careers from paraprofessionals to fully certified classroom teachers, administrators and/or teacher trainers.

Explanation: The Commissioner is authorized to make grants to or contracts with local educational agencies, State educational agencies, and institutions of higher education.

Accomplishments in 1975: Support will be given up to 15 sites to complete the 5-year demonstration of training for about 1,400 participants in this final year of support.

Objectives for 1976: No funds are requested for this program in 1976, since the final year of support as been met.

Activity: Education personnel
(b) Other education personnel development
(EPDA, Part D)
(3) Categorical programs:
a. Teachers for Indian children

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$406,950	$406,950	1/	---

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on a 1-year extension authority under GEPA.

Purpose: The purpose of this activity is to prepare persons to serve as teachers of children living on reservations serviced by elementary and secondary schools for Indian children operated or supported by the Department of the Interior, including public and private schools operated by Indian tribes and by nonprofit institutions and organizations of Indain tribes.

Explanation: Grants may be made to institutions of higher education and other public and private nonprofit agencies and organizations for the purpose cited above.

Accomplishments in fiscal year 1975: In fiscal year 1975, funds will be used to support 3 to 5 ongoing projects.

Objectives for fiscal year 1976: No funds are requested for this categorical program in fiscal year 1976. Financial assistance for persons who desire to enter into this field is available from other sources.

Activity: Education Personnel
(b) Other education personnel development
(EPDA, Part D)
(3) Categorical programs:
b. Bilingual educational personnel training

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
$406,950	$406,950	1/	---

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on 1-year extension authority under GEPA.

Purpose: This activity is for the training of teachers for service in programs for children with limited English speaking ability.

Explanation: Grants may be made to institutions of higher education, local education agencies, and state education agencies to improve the qualifications of persons who are serving or preparing to serve in elementary or secondary schools, or to supervise or train persons so serving.

Accomplishments in fiscal year 1975: In fiscal year 1975, funds will be used to support 3 to 5 ongoing projects.

Objectives for fiscal year 1976: No funds are requested for this categorical program in fiscal year 1976. Financial assistance for persons who desire to enter into this field is available from other sources.

Activity: Educational personnel
(b) Other education personnel development
(6) Educational leadership (EPDA, Part D)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
$ ---	$ ---	1/	$3,000,000

1/ Amount of $450,000,000 is authorized for the Education Professions Development Act based on a 1-year extension authority under GEPA.

Purpose: To train and retrain elementary school principals to enable them better to improve the effectiveness of the teaching-learning process in their schools. The curricular emphasis of the program will result in experiences designed to improve the management and planning capabilities of the targeted principals, thus sharpening their perceptions of their management options as educational leaders and strengthening their confidence and ability to exercise them.

Explanation: Grants may be made to institutions of higher education, local educational agencies, and State educational agencies.

Accomplishments in 1975: This program was not funded in fiscal year 1975.

Objectives for 1976: In fiscal year 1976, one or two training institutes will be established and part-time, on-site training projects will be supported engaging approximately 400 participants.

Activity: Education Personnel:
(b) Other education personnel development:
(5) Vocational education (EPDA, Part F)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$9,000,000	$ ---	1/	$ ---

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on 1-year extension authority under GEPA.

Purpose: This activity provides support to assist State and local education agencies and institutions of higher education in strengthening their efforts in recruiting and training individuals for the broad aspects of career and vocational education.

Explanation: Grants are made to institutions of higher education that offer graduate study in a comprehensive program of vocational education that is approved by the State boards for vocational education, for cooperative arrangement training activities with schools, private business or industry, or other educational institutions.

Accomplishments in 1975: Funds appropriated for this purpose have been proposed for rescission in fiscal year 1975 since financial support is available in the form of general student aid.

Objectives for 1976: No funds are requested for this categorical training program in fiscal year 1976. This activity will be part of the new vocational education consolidated legislative program which will be submitted to Congress at a later date.

Activity: Education personnel:
(b) Other education personnel development:
(6) Higher education development (EPDA, Part E)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$2,100,000	$ ---	1/	$ ---

1/ An amount of $450,000,000 is authorized for the Education Professions Development Act based on 1-year extension authority under GEPA.

Purpose: Funds are provided to support institutes and short-term training programs for the purpose of training present or prospective college teacher at less than the Ph.D. level and administrators and educational specialists through the doctoral level.

Explanation: Grants and contracts are made with colleges and universities to cover the direct and indirect costs of operating the programs and provide stipends for participants.

Accomplishments in 1975: Funds appropriated for this purpose in fiscal year 1975 have been proposed for rescission because of the general surplus of persons available to teach at the postsecondary level.

Objectives for 1976: No funds are requested to support fellowships, institutes and short-term training programs in fiscal year 1976. Financial support will be available in the form of general student support under the higher education budget.

Activity: Adult Education

1975	1975	1976	1977	
Estimate	Revised	Estimate	Authorization	Budget Estimate
$67,5[illegible],000	$63,319,000	$67,500,000	$210,000,000	$67,500,000

Purpose: The Adult Education Act authorizes grants to States for the purpose of eliminating functional illiteracy among the Nation's adults sixteen years of age and older to enable them to become employable, productive and responsible citizens. The law requires that not less than 20 percent of the funds appropriated be made available for high school equivalency programs. The institutionalized adult population is to be served and special assistance is to be given to the needs of persons with limited English-speaking ability.

Explanation: Grants are made to the States according to the formula specified in the Act. Not less than 50 percent of each State's allotment shall be used for special demonstration projects and teacher training.

Accomplishments in 1975: Basic skills programs were provided to 959,000 undereducated adults, the same number of participants as in 1974. In addition, the States supported special demonstration projects and teacher training projects.

Objectives for 1976 and 1977: For fiscal year 1976, the States will continue to provide basic skills programs to 1,000,000 undereducated adults, an increase of 41,000 participants over fiscal year 1975. In fiscal year 1977, the same number of adults will be enrolled as in fiscal year 1976. Each year, fifteen percent of the States allocations will be used on special projects and teacher training.

Occupational, Vocational, and Adult Education
Basic Vocational Education Programs

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$412,508,455 1/	$428,139,455 2/	$412,508,455 2/	$ --- 3/
Alabama	8,462,395	8,746,564	8,427,234	---
Alaska	553,162	629,705	606,715	---
Arizona	4,015,940	4,496,399	4,332,239	---
Arkansas	4,699,122	4,758,699	4,584,963	---
California	34,929,859	36,673,016	35,334,117	---
Colorado	4,865,496	5,321,879	5,127,583	---
Connecticut	4,616,707	4,769,591	4,595,458	---
Delaware	970,051	1,007,019	970,254	---
Florida	13,568,396	14,969,380	14,422,861	---
Georgia	10,856,878	9,357,166	9,015,544	---
Hawaii	1,435,166	1,579,705	1,522,032	---
Idaho	1,783.328	1,891,678	1,822,613	---
Illinois	18,227,429	18,882,101	18,192,732	---
Indiana	10,665,305	11,183,662	10 775,355	---
Iowa	5,859,433	6,009,048	5,789,663	---
Kansas	4,575,798	4,761,021	4,587,200	---
Kentucky	7,927,385	8,132,244	7,835,343	---
Louisiana	9,158,353	9,473,883	9,128,000	---
Maine	2,312,948	2,453,257	2,363,691	---
Maryland	7,206,062	7,595,977	7,318,654	---
Massachusetts	10,032,230	10,511,722	10,127,948	---
Michigan	16,891,829	17,574,543	16,932,911	---
Minnesota	7,891,017	8,266,562	7,964,757	---
Mississippi	5,563,298	5 862,677	5,648.636	---
Missouri	9,586,984	9,826,744	9,467,978	---
Montana	1,627,264	1,713,268	1,650,718	---
Nebraska	3,071,651	3,219,583	3,102,038	---
Nevada	798,977	922,107	888,441	---
New Hampshire	1,558,184	1,638,941	1,579,106	---
New Jersey	11,314,376	11,488,885	11,069,437	---
New Mexico	2,619,802	2,851,436	2,747,333	---
New York	27,186,917	28,243,323	27,212,184	---
North Carolina	12,792,009	13,068,178	12,5[illegible],070	---
North Dakota	1,556,006	1,611,090	1,552,270	---
Ohio	20,921,022	21,6[illegible]1,437	20,851,326	---
Oklahoma	5,925,792	6,157,062	5,932,274	---
Oregon	4,486,204	4,707,210	4,535,353	---
Pennsylvania	22,762,566	23,239,958	22,391,487	---
Rhode Island	1,913,720	1,957,447	1,[illegible]85,982	---
South Carolina	6,857,791	7,120,749	6,860,776	---

State or Outlying Area	1974 Actual[1]	1975 Estimate[2]	1975 Revised[2]	1976 Estimate[3]
South Dakota	1,651,573	1,728,672	1,665,560	---
Tennessee	9,541,343	9,874,609	9,514,096	---
Texas	25,472,710	26,983,336	25,998,198	---
Utah	2,840,131	2,998,753	2,889,271	---
Vermont	1,023,256	1,110,256	1,069,719	---
Virginia	10,439,095	10,809,962	10,415,300	---
Washington	6,827,023	6,998,402	6,762,296	---
West Virginia	6,185,719	6,256,193	6,100,802	---
Wisconsin	9,384,839	9,715,161	9,360,469	---
Wyoming	736,611	774,158	765,895	---
District of Columbia	1,197,578	1,185,610	1,142,326	---
American Samoa	66,865	67,076	64,626	---
Guam	213,214	214,351	206,525	---
Puerto Rico	6,723,560	6,747,369	6,501,029	---
Trust Territory	218,778	219,466	211,453	---
Virgin Islands	140,508	141,170	136,016	---

[1] Distribution based on FY 1974 State products of (1) FY 1974 allotment ratios, with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum amount of $10,000 on the total amount for Parts B and C. Population age groups are as of 7/1/71 for the 50 States and D.C., and as o of 4/1/70 for the outlying areas.

[2] Estimated distribution based on FY 1975 State products of (1) FY 1975 allotment ratios, with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum amount of $10,000 on the total amount for Parts B and C. Population age groups are as of 7/1/73 for the 50 States and D.C., and as of 4/1/70 for the outlying areas. Subject to change based on revised State products.

[3] This program is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education Programs for Students with Special Needs

State or Outlying Area	1974 Actual [1]	1975 Estimate [2]	1975 Revised [2]	1976 Estimate [3]
TOTAL	$20,000,000	$20,000,000	$20,000,000	$ ---
Alabama	410,085	408,375	408,375	---
Alaska	26,806	29,401	29,401	---
Arizona	194,611	209,936	209,936	---
Arkansas	218,026	222,182	222,182	---
California	1,692,691	1,712,253	1,712,253	---
Colorado	235,781	248,477	248,477	---
Connecticut	223,724	222,692	222,692	---
Delaware	47,009	47,018	47,018	---
Florida	657,52[illegible]	698,915	698,915	---
Georgia	526,122	436,883	436,883	---
Hawaii	69,547	73,755	73,755	---
Idaho	86,419	88,323	88,323	---
Illinois	883,296	881,599	881,599	---
Indiana	516,838	522,164	522,164	---
Iowa	283,947	280,362	280,362	---
Kansas	221,742	222,292	222,292	---
Kentucky	384,160	379,692	379,692	---
Louisiana	443,811	442,333	442,333	---
Maine	112,085	114,541	114,541	---
Maryland	349,204	354,653	354,653	---
Massachusetts	486,159	490,789	490,789	---
Michigan	818,574	820,552	820,552	---
Minnesota	382,436	385,964	385,964	---
Mississippi	269,597	273,726	273,726	---
Missouri	464,583	458,808	458,808	---
Montana	78,457	79,992	79,992	---
Nebraska	148,852	150,322	150,322	---
Nevada	38,719	43,053	43,053	---
New Hampshire	75,509	76,522	76,522	---
New Jersey	548,292	536,412	536,412	---
New Mexico	126,955	133,133	133,133	---
New York	1,317,471	1,318,674	1,318,674	---
North Carolina	619,897	610,151	610,151	---
North Dakota	75,403	75,221	75,221	---
Ohio	1,013,827	1,010,432	1,010,432	---
Oklahoma	287,162	287,471	287,471	---
Oregon	217,400	219,779	219,779	---
Pennsylvania	1,103,066	1,085,067	1,085,067	---
Rhode Island	92,739	91,393	91,393	---
South Carolina	332,327	332,466	332,466	---

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	80,034	80,712	80,712	---
Tennessee	462,371	461,043	461,043	---
Texas	1,234,400	1,259,846	1,259,346	---
Utah	137,631	140,010	140,010	---
Vermont	49,587	51,838	51,838	---
Virginia	505,875	504,714	504,714	---
Washington	330,835	326,753	326,753	---
West Virginia	202,839	198,721	198,721	---
Wisconsin	454,787	453,598	453,598	---
Wyoming	35,598	36,146	36,146	---
District of Columbia	58,035	55,357	55,357	---
American Samoa	10,000	10,000	10,000	---
Guam	10,333	10,008	10,008	---
Puerto Rico	325,823	315,033	315,033	---
Trust Territory	10,602	10,248	10,248	---
Virgin Islands	10,000	10,000	10,000	---

1/ Distribution based on FY 1974 estimated State products of (1) FY 1974 allotment ratios, with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum of $10,000. Population age groups are as of 7/1/71 for the 50 States and D.C., and 4/1/70 for the outlying areas.

2/ Estimated distribution of funds under provisions of section 103(a) (2) (b), P.L. 90-576, based on FY 1975 State products of (1) FY 1975 allotment ratios, with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum of $10,000. The population age groups are as of 7/1/73 for the 50 States and D.C., and 4/1/70 for the outlying areas. Subject to change based on revised State products.

3/ This program is proposed for later transmittal under a new vocational education legislative program.

Occupational, Vocational, and Adult Education
Consumer and homemaking education

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
TOTAL	$30,994,000	$35,994,000	$30,994,000	$ ---
Alabama	633,724	735,262	633,079	---
Alaska	41,555	52,934	45,578	---
Arizona	301,691	377,970	325,451	---
Arkansas	337,990	400,019	344,436	---
California	2,634,067	3,082,756	2,656,403	---
Colorado	365,[illegible]13	447,360	385,199	---
Connecticut	344,822	400,934	345,225	---
Delaware	72,873	84,651	72,888	---
Florida	1,019,303	1,258,334	1,083,488	---
Georgia	815,605	786,569	677,274	---
Hawaii	107,815	132,791	114,360	---
Idaho	133,970	159,016	136,920	---
Illinois	1,369,306	1,587,239	1,366,692	---
Indiana	801,213	940,106	809,477	---
Iowa	440,180	505,124	434,937	---
Kansas	343,750	400,215	344,605	---
Kentucky	595,[illegible]31	683,601	588,615	---
Louisiana	688,064	796,380	685,722	---
Maine	173,75[illegible]	206,232	177,569	---
Maryland	541,344	638,522	549,800	---
Massachusetts	753,455	883,621	760,842	---
Michigan	1,268,972	1,477,325	1,272,050	---
Minnesota	592,860	694,891	598,337	---
Mississippi	417,934	492,819	424,342	---
Missouri	720,206	826,061	711,262	---
Montana	122,245	144,018	124,006	---
Nebraska	230,752	270,639	233,036	---
Nevada	60,022	77,513	66,763	---
New Hampshire	117,036	137,770	118,627	---
New Jersey	849,974	965,762	831,569	---
New Mexico	196,808	239,692	206,387	---
New York	2,062,372	2,374,169	2,044,239	---
North Carolina	960,979	1,098,519	945,878	---
North Dakota	116,893	135,430	116,612	---
Ohio	1,571,659	1,819,191	1,566,413	---
Oklahoma	445,165	517,565	445,650	---
Oregon	337,019	395,690	340,709	---
Pennsylvania	1,710,001	1,953,563	1,682,115	---
Rhode Island	143,765	164,545	141,681	---
South Carolina	515,181	598,573	515,402	---

	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	$ 126,072	$ 145,313	$ 125,120	$ ---
Tennessee	716,778	830,065	714,726	---
Texas	1,913,595	2,268,234	1,953,061	---
Utah	213,360	252,076	217,050	---
Vermont	76,870	93,329	80,360	---
Virginia	784,220	908,691	782,429	---
Washington	512,870	588,290	506,567	---
West Virginia	314,444	357,778	308,064	---
Wisconsin	705,021	816,662	703,186	---
Wyoming	55,186	65,077	56,034	---
District of Columbia	89,966	99,663	85,814	---
American Samoa	10,000	10,000	10,000	---
Guam	16,317	18,019	15,515	---
Puerto Rico	505,097	567,187	488,378	---
Trust Territories	10,556	18,450	15,885	---
Virgin Islands	16,423	11,867	10,217	---

1/ Distribution based on FY 1974 estimated State products of (1) FY 1974 allotment ratios, with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum of $10,000. Population age groups are as of 7/1/71 for the 50 States and D.C., and 4/1/70 for outlying areas.

2/ Estimated distribution based on FY 1975 State products of (1) FY 1975 allotment ratios with limits of .60 and .40 and (2) the 15-19, 20-24, and 25-65 population age groups, with a minimum of $10,000. Population age groups are as of 7/1/73 for the 50 States and D.C., and 4/1/70 for outlying areas. Subject to change based on revised State products.

3/ This activity is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education
Work-Study

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$7,849,000[1/]	$9,845,000[2/]	$7,849,000[2/]	$ --- [3/]
Alabama	136,999	169,409	135,008	---
Alaska	12,636	18,293	14,578	---
Arizona	71,825	98,225	78,279	---
Arkansas	72,137	91,067	71,575	---
California	748,504	946,065	753,952	---
Colorado	90,778	122,881	97,928	---
Connecticut	107,404	136,004	108,387	---
Delaware	21,281	27,037	22,184	---
Florida	238,085	324,502	258,607	---
Georgia	180,891	229,458	182,863	---
Hawaii	31,589	43,346	36,544	---
Idaho	30,259	38,972	31,058	---
Illinois	405,343	503,455	402,220	---
Indiana	200,510	250,535	199,659	---
Iowa	108,402	131,630	104,900	---
Kansas	87,786	108,963	86,836	---
Kentucky	128,021	155,888	124,233	---
Louisiana	150,965	185,714	148,002	---
Maine	37,575	47,721	38,030	---
Maryland	148,304	191,281	152,438	---
Massachusetts	209,488	263,260	209,801	---
Michigan	352,139	441,816	352,098	---
Minnesota	150,300	187,702	149,586	---
Mississippi	93,106	115,723	92,224	---
Missouri	173,243	216,732	172,721	---
Montana	28,264	35,791	28,523	---
Nebraska	57,859	71,979	57,362	---
Nevada	17,291	24,258	19,332	---
New Hampshire	27,267	34,598	27,572	---
New Jersey	250,056	312,572	249,099	---
New Mexico	43,228	57,265	45,636	---
New York	626,469	769,897	613,557	---
North Carolina	209,156	256,500	204,413	---
North Dakota	26,269	32,609	25,987	---
Ohio	406,008	506,637	403,756	---
Oklahoma	97,429	122,484	97,611	---
Oregon	81,468	102,998	82,082	---
Pennsylvania	428,619	526,918	419,919	---
Rhode Island	35,580	44,142	35,178	---
South Carolina	113,390	138,788	110,605	---

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	$ 27,932	$ 34,598	$ 27,572	$ ---
Tennessee	150,965	185,714	148,002	---
Texas	446,243	567,083	451,928	---
Utah	48,216	62,435	49,756	---
Vermont	17,624	22,270	17,748	---
Virginia	184,217	235,821	187,933	---
Washington	133,008	161,853	128,986	---
West Virginia	66,837	79,932	63,701	---
Wisconsin	173,243	216,732	172,721	---
Wyoming	13,301	17,498	13,965	---
District of Columbia	26,934	32,212	25,671	---
American Samoa	1,205	1,441	1,149	---
Guam	3,426	4,097	3,265	---
Puerto Rico	113,858	136,166	108,516	---
Trust Territory	2,115	4,704	3,749	---
Virgin Islands	3,933	2,529	2,015	---

1/ Distribution based on the 15-20 population age group as of 7/1/71 for the 50 States and D.C., and 4/1/70 for the outlying areas.

2/ Estimated distribution on the basis of the 15-20 population age group as of 7/1/73 for the 50 States and D.C., and 4/1/70 for the outlying areas.

3/ This activity is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education
Cooperative Education

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$19,500,000[1]	$19,500,000[2]	$19,500,000[2]	$ ---[3]
Alabama	355,934	354,029	354,029	---
Alaska	213,772	215,743	215,743	---
Arizona	280,855	288,929	288,929	---
Arkansas	282,188	282,972	282,972	---
California	1,036,901	1,038,653	1,038,653	---
Colorado	301,291	308,501	308,501	---
Connecticut	322,171	322,968	322,968	---
Delaware	223,990	224,679	224,679	---
Florida	469,220	493,166	493,166	---
Georgia	403,470	405,089	405,089	---
Hawaii	234,652	237,018	237,018	---
Idaho	234,652	235,316	235,316	---
Illinois	658,474	654,004	654,004	---
Indiana	427,460	425,087	425,087	---
Iowa	323,059	319,564	319,564	---
Kansas	298,625	297,013	297,013	---
Kentucky	343,051	340,414	340,414	---
Louisiana	370,151	368,496	368,496	---
Maine	242,649	243,401	243,401	---
Maryland	367,485	371,475	371,475	---
Massachusetts	434,568	435,299	435,299	---
Michigan	600,720	599,115	599,115	---
Minnesota	371,039	368,922	368,922	---
Mississippi	305,289	305,523	305,523	---
Missouri	395,473	395,728	395,728	---
Montana	232,431	232,763	232,763	---
Nebraska	265,306	264,675	264,675	---
Nevada	219,547	221,700	221,700	---
New Hampshire	230,[illegible]10	231,487	231,487	---
New Jersey	485,213	484,231	484,231	---
New Mexico	249,757	251,910	251,910	---
New York	906,813	893,132	893,132	---
North Carolina	432,347	427,640	427,640	---
North Dakota	229,765	229,359	229,359	---
Ohio	662,027	657,408	657,408	---
Oklahoma	310,175	310,203	310,203	---
Oregon	293,294	292,333	292,333	---
Pennsylvania	688,239	676,555	676,555	---
Rhode Island	239,095	239,146	239,146	---
South Carolina	325,281	323,819	323,819	---

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	$ 231,987	$ 231,487	$ 231,487	$ ---
Tennessee	369,708	368,071	368,071	---
Texas	701,566	706,340	706,340	---
Utah	254,644	255,314	255,314	---
Vermont	219,992	219,998	219,998	---
Virginia	404,358	408,918	408,918	---
Washington	349,271	344,668	344,668	---
West Virginia	275,968	273,185	273,185	---
Wisconsin	396,362	395,728	395,728	---
Wyoming	215,549	215,743	215,743	---
District of Columbia	228,877	228,083	228,083	---
American Samoa	(	(	(	
Guam	(	(	(	
Puerto Rico	(585,000	(585,000	(585,000	---
Trust Territory	(	(	(	
Virgin Islands	(	(	(	

1/ Distribution with 3 percent ($585,000) reserved for the outlying areas and the balance distributed on the basis of (1) $200,000 to each State and D.C., and (2) the remainder on the basis of the 15-19 population, July 1, 1971.

2/ Estimated distribution based on 3 percent reserved for the outlying areas and the balance distributed on the basis of (1) $200,000 to each State and D.C., and (2) the remainder on the 15-19 population age group as of 7/1/73.

3/ This activity is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education Innovation

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$16,464,853[1]	$16,000,000[2]	$16,000,000[2]	--- [3]
Alabama	295,189	294,026	294,026	---
Alaska	208,407	209,610	201,610	---
Arizona	249,356	254,286	254,286	---
Arkansas	248,303	250,649	250,649	---
California	688,537	711,948	711,948	---
Colorado	261,832	266,234	266,234	---
Connecticut	410,935	275,065	275,065	---
Delaware	214,247	215,065	215,065	---
Florida	578,551	378,961	378,961	---
Georgia	324,207	325,195	325,195	---
Hawaii	222,571	222,597	222,597	---
Idaho	221,153	221,558	221,558	---
Illinois	479,872	477,143	477,143	---
Indiana	338,851	337,403	337,403	---
Iowa	275,121	272,987	272,987	---
Kansas	260,205	259,221	259,221	---
Kentucky	287,324	285,714	285,714	---
Louisiana	303,867	302,857	302,857	---
Maine	226,035	226,494	226,494	---
Maryland	302,240	304,675	304,675	---
Massachusetts	337,961	343,636	343,636	---
Michigan	444,616	443,636	443,636	---
Minnesota	307,999	303,117	303,117	---
Mississippi	264,273	264,416	264,416	---
Missouri	319,325	319,481	319,481	---
Montana	219,797	220,000	220,000	---
Nebraska	239,865	239,481	239,481	---
Nevada	212,270	213,247	213,247	---
New Hampshire	218,441	219,221	219,221	---
New Jersey	385,795	373,506	373,506	---
New Mexico	230,373	231,688	231,688	---
New York	645,685	623,117	623,117	---
North Carolina	400,917	338,961	338,961	---
North Dakota	218,170	217,922	217,922	---
Ohio	482,041	479,221	479,221	---
Oklahoma	267,256	267,273	267,273	---
Oregon	257,221	256,364	256,364	---
Pennsylvania	498,041	490,909	490,909	---
Rhode Island	223,865	223,896	223,896	---
South Carolina	276,477	275,584	275,584	---

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	$ 219,526	$ 219,221	$ 219,221	$ ---
Tennessee	303,596	302,597	302,597	---
Texas	505,827	509,091	509,091	---
Utah	233,357	233,766	233,766	---
Vermont	212,204	212,208	212,208	---
Virginia	324,749	327,532	327,532	---
Washington	291,121	288,312	288,312	---
West Virginia	246,374	244,675	244,675	---
Wisconsin	319,867	319,481	319,481	---
Wyoming	209,492	209,610	209,610	---
District of Columbia	217,628	217,143	217,143	---
American Samoa	4,877	4,665	4,665	---
Guam	12,893	12,159	12,159	---
Puerto Rico	497,043	440,086	440,086	---
Trust Territory	15,126	15,126	15,126	---
Virgin Islands	3,982	7,964	7,964	---

1/ Distribution of total amount with 3% reserved for the outlying areas; balance distributed on the basis of (1) $200,000 to each State and D.C., and (2) the remainder on the 15-19 population, 7/1/71. Fifty percent of the funds are allotted to the States and fifty percent at the discretion of the Commissioner.

2/ Estimated distribution of the total with 3% reserved for the outlying areas; balance distributed on the basis of (1) $200,000 to each State and D.C., and (2) the remainder on the 15-19 population, 7/1/73. Fifty percent of the funds are alloted to the States and fifty percent at the discretion of the Commissioner.

3/ This activity is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education Research

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$ 17,870,988[1/]	$18,000,000 [2/]	$18,000,000 [2/]	--- [3/]
Alabama	339,529	367,726	367,726	$ ---
Alaska	22,193	26,474	26,474	---
Arizona	584,805	189,039	189,039	---
Arkansas	180,513	200,067	200,067	---
California	1,387,035	1,541,821	1,541,821	---
Colorado	195,154	223,744	223,744	---
Connecticut	185,231	200,525	200,525	---
Delaware	38,916	42,337	42,337	---
Florida	544,391	629,348	629,348	---
Georgia	566,600	393,397	393,397	---
Hawaii	57,414	66,415	66,415	---
Idaho	71,550	79,531	79,531	---
Illinois	731,321	793,849	793,849	---
Indiana	427,914	470,188	470,188	---
Iowa	235,092	252,635	252,635	---
Kansas	183,579	200,165	200,165	---
Kentucky	318,062	341,899	341,899	---
Louisiana	367,452	398,304	398,304	---
Maine	92,800	103,141	103,141	---
Maryland	289,122	319,353	319,353	---
Massachusetts	402,348	441,938	441,938	---
Michigan	676,623	738,876	738,876	---
Minnesota	316,636	347,546	347,546	---
Mississippi	229,511	246,481	246,481	---
Missouri	349,432	413,139	413,139	---
Montana	65,290	72,030	72,030	---
Nebraska	123,241	135,359	135,359	---
Nevada	32,057	38,768	38,768	---
New Hampshire	62,517	68,905	68,905	---
New Jersey	453,955	483,020	483,020	---
New Mexico	105,111	119,881	119,881	---
New York	1,081,794	1,187,416	1,187,416	---
North Carolina	692,381	549,417	549,417	---
North Dakota	62,430	67,734	67,734	---
Ohio	954,121	909,857	909,857	---
Oklahoma	237,824	258,857	258,857	---
Oregon	179,996	197,902	197,902	---
Pennsylvania	913,030	977,063	977,063	---
Rhode Island	76,459	82,296	82,296	---
South Carolina	275,148	299,373	299,373	---

State or Outlying Area	1974 Actual 1/	1975 Estimate 2/	1975 Revised 2/	1976 Estimate 3/
South Dakota	$ 66,264	$ 72,677	$ 72,677	$ ---
Tennessee	382,818	415,152	415,152	---
Texas	1,021,755	1,134,444	1,134,444	---
Utah	113,951	126,075	126,075	---
Vermont	41,055	46,678	46,678	---
Virginia	416,201	454,476	454,476	---
Washington	273,896	294,230	294,230	---
West Virginia	167,940	178,941	178,941	---
Wisconsin	362,640	408,448	408,448	---
Wyoming	29,474	32,547	32,547	---
District of Columbia	598,699	49,846	49,846	---
American Samoa	1,459	2,820	2,820	---
Guam	4,652	9,012	9,012	
Puerto Rico	269,763	283,676	283,676	---
Trust Territory	8,778	9,227	9,227	---
Virgin Islands	3,066	5,935	5,935	---

1/ Distribution based on FY 1974 estimated State products. Fifty percent of the funds are for use by the States and fifty percent at the discretion of the Commissioner of Education.

2/ Estimated distribution based on estimated FY 1975 State products. Fifty percent of the funds are for use by the State and fifty percent reserved by the Commissioner of Education. Subject to change based on revised State products.

3/ This program is proposed for later transmittal under the new vocational education legislative program.

Occupational, Vocational, and Adult Education
Adult Education - Grants to States

State or Outlying Area	1974 Actual[1]	1975 Estimate[2]	1975 Revised [3]	1976 Estimate [2]	1976 Adv. for 1977 [2]
TOTAL	$53,286,000	$67,500,000	$63,319,000	$67,500,000	$67,500,000
Alabama	1,353,404	1,344,029	1,263,576	1,344,029	1,344,029
Alaska	177,747	190,545	179,139	190,545	190,545
Arizona	449,546	518,744	487,692	518,744	518,744
Arkansas	785,866	827,612	778,071	827,612	827,612
California	3,415,416	4,517,430	4,247,017	4,517,430	4,517,430
Colorado	479,804	601,541	565,533	601,541	601,541
Connecticut	704,766	951,493	894,537	951,493	951,493
Delaware	239,449	274,483	258,052	274,483	274,483
Florida	1,561,101	1,786,037	1,679,125	1,786,037	1,786,037
Georgia	1,713,940	1,570,391	1,476,388	1,570,391	1,570,391
Hawaii	272,771	312,647	293,932	312,647	312,647
Idaho	260,259	320,090	300,929	320,090	320,090
Illinois	2,342,597	3,529,037	3,317,789	3,529,037	3,529,037
Indiana	1,154,189	1,626,206	1,528,862	1,626,206	1,626,206
Iowa	646,525	951,736	894,765	951,736	951,736
Kansas	528.113	763,952	718,222	763,952	763,952
Kentucky	1,148,538	1,325,422	1,246,082	1,325,422	1,325,422
Louisiana	1,599,212	1,439,291	1,353,135	1,439,291	1,439,291
Maine	328,729	447,145	420,379	447,145	447,145
Maryland	908,974	1,159,714	1,090,294	1,159,714	1,159,714
Massachusetts	1,146,761	1,706,542	1,604,389	1,706,542	1,706,542
Michigan	1,849,308	2,625,728	2,468,552	2,625,728	2,625,728
Minnesota	793,887	1,153,991	1,084,913	1,153,991	1,153,991
Mississippi	1,054,146	948,731	891,940	948,731	948,731
Missouri	1,139,299	1,674,712	1,574,464	1,674,712	1,674,712
Montana	257,088	325,781	306,280	325,781	325,781
Nebraska	392,945	542,844	510,349	542,844	542,844
Nevada	211,517	212,470	199,752	212,470	212,470
New Hampshire	268,997	330,025	310,270	330,025	330,025
New Jersey	1,588,290	2,209,21[illegible]	2,076,969	2,209,212	2,209,212
New Mexico	344,103	402,261	378,182	402,261	402,261
New York	3,851,674	5,925,791	5,571,074	5,925,791	5,925,791
North Carolina	1,898,912	1,780,990	1,674,380	1,780,990	1,780,990
North Dakota	257,945	334,999	314,946	334,999	334,999
Ohio	2,216,061	3,248,1[illegible]	3,053,726	3,248,160	3,248,160
Oklahoma	665,854	910,306	855,815	910,306	910,306
Oregon	502,645	650,442	611,507	650,442	650,442
Pennsylvania	2,634,898	4,105,003	3,859,278	4,105,003	4,105,003
Rhode Island	348,369	451,990	424,934	451,990	451,990
South Carolina	1,190,918	1,071,826	1,007,667	1,071,826	1,071,826

	1974 Actual1/	1975 Estimate2/	1975 Revised3/	1976 Estimate2/	1976 Adv. for 1977 3/
South Dakota	264,081	344,287	323,678	344,287	344,287
Tennessee	1,403,382	1,491,557	1,402,273	1,491,557	1,491,557
Texas	3,205,110	3,281,437	3,085,010	3,281,437	3,281,437
Utah	282,545	338,150	317,908	338,150	338,150
Vermont	215,763	257,409	242,001	257,409	257,409
Virginia	1,436,435	1,489,781	1,400,403	1,489,781	1,489,781
Washington	684,134	916,988	862,097	916,988	916,988
West Virginia	613,710	835,680	785,656	835,680	835,680
Wisconsin	954,079	1,381,265	1,258,583	1,381,265	1,381,265
Wyoming	190,514	222,750	209,416	222,750	222,750
District of Columbia	285,764	374,932	352,489	374,932	374,932
American Samoa	42,629	79,863	50,655	79,863	79,863
[illegible]	74,601	139,762	88,647	139,762	139,762
Puerto Rico	820,604	1,037,200	975,113	1,037,200	1,037,200
Trust Territory	85,257	159,727	101,310	159,727	159,727
Virgin Islands	42,629	79,863	50,655	79,863	79,863

1/ Distribution based on 2 percent reserved for outlying areas and the balance distributed with a basic amount of $150,000 and the remainder distributed on the basis of those 16 year of age and over without a certificate of graduation from high school with no State receiving less than it's FY 1972 allotment. Population data as of 4/1/70.

2/ Estimated distribution of funds based on 90 percent of FY 1973 grant amount

3/ Estimated distribution prorated from 90 percent of the FY 1973 grants amount.

Occupational, Vocational, Adult Education

Estimate for July 1 - September 30, 1976 period

Amounts Available for Obligation

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Appropriation:		
Annual....................................	$113,212,000	$ 17,000,000
Permanent.................................	7,161,455	---
Total obligations..................	120,373,455	17,000,000

Obligations by Activity

Activity	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Grants to States for vocational education..........................	$ 7,161,455	$ ---
Adult education.....................	67,500,000	---
Education personnel:		
(a) Teacher corps..................	37,500,000	17,000,000
(b) Other education personnel development.................	8,212,000	---
Total.......................	120,373,455	17,000,000

Obligations by Object

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Grants, subsidies and contributions (Total obligations by object)........	$120,373,455	$17,000,000

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Grants to States for vocational education programs......................	$7,161,455	---

Narrative

The budget for vocational education programs will be requested under proposed legislation for fiscal year 1976 and will be submitted to Congress later in the year. At that time a request for the interim period will be submitted. The permanent appropriation of $7,161,455 will be combined with and used for the purposes of grants to States under the new legislation.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Education personnel:		
(a) Teacher corps......................	$37,500,000	$17,000,000

Narrative

An estimate of $17,000,000 is requested to fund this activity for the period July 1, 1976 - September 30, 1976. This represents about 45 percent of the proposed funding in the 1976 budget estimates. Interns and regular teachers are trained in Teacher Corps programs over a two year period. Each fiscal year the appropriated funds pay for continuations of existing projects to complete a two year cycle and new starts for projects beginning a two year cycle. Costs for continuations are approximately the same as for new starts. For scheduling and programmatic reasons Teacher Corps funds projects in these two year cycles with two grant periods; the first for 15 months and the second for 9 months. By July 1, 1976, grant awards will have been issued for the new starts out of FY 1976 appropriations. The continuation projects will be within their first 15 month grant period that ends on September 30, 1976 during the interim period. It will be essential that the second 9 month grant period be negotiated with the grant awards being issued before September 30, 1976. It is estimated that the costs of these continuation projects will be approximately $17 million. These funds will go to pay for training 220 inexperienced teacher interns and regular teacher retraining for approximately 3,000 participants; and for the programs they are undertaking in 55 institutions of higher education and 65 local education agencies. This totals 120 separate grant awards. Each project has school, university and community-based components and the training and retraining efforts are directly related to support long-range local efforts in achieving the legislative mission of Teacher Corps which is incresing educational opportunities for children from low income families and broadening the programs of teacher training and retraining for the instructional personnel committed to working in the schools serving these children.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Education personnel:		
(b) Other education personnel development..................	$8,212,000	---

Narrative

Educational personnel development programs are forward funded; that is, amounts obligated in one fiscal year fund projects during the following fiscal year. The 1976 appropriation would be obligated in the second half of the year to fund projects during the interim period. Therefore, no appropriation is required for the interim budget for forward funded programs.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
Adult education...........................	$67,500,000	---

Narrative

Adult education is an advance funded program. The entire 1976 advance appropriation, which will cover the grant period, July 1, 1976 to June 30, 1977, will be made available to the States during the interim period. The appropriation to cover the next grant period, July 1, 1977 to June 30 1978, will be requested in the regular fiscal year 1977 budget and no new appropriation action will be required during the interim period.

SUBCOMMITTEE RECESS

The committee will stand in recess until 10 a.m. tomorrow, when we will resume with Higher Education and Liberal Resources.

[Whereupon at 4:30 p.m., the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, March 19.]

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

WEDNESDAY, MARCH 19, 1975

U.S. Senate,
Subcommittee on Departments of Labor and Health,
Education, and Welfare and Related Agencies,
Washington, D.C.

The subcommittee met at 10 a.m. in room S–146, the Capitol, Hon. Richard Schweiker presiding.

Present: Senator Schweiker.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

Higher Education

STATEMENT OF S. W. HERRELL, ACTING DEPUTY COMMISSIONER FOR POSTSECONDARY EDUCATION

ACCOMPANIED BY:

- **DR. TERRELL H. BELL, COMMISSIONER OF EDUCATION**
- **EDWARD T. YORK, DEPUTY COMMISSIONER FOR MANAGEMENT**
- **KENNETH A. KOHL, ASSOCIATE COMMISSIONER, OFFICE OF GUARANTEED STUDENT LOANS**
- **DR. ROBERT C. LEESTMA, ASSOCIATE COMMISSIONER FOR INSTITUTIONAL DEVELOPMENT AND INTERNATIONAL EDUCATION**
- **DR. JOHN PHILLIPS, ASSOCIATE COMMISSIONER FOR STUDENT ASSISTANCE**
- **PETER K. U. VOIGT, DIRECTOR, DIVISION OF BASIC AND STATE STUDENT GRANTS**
- **DR. LEONARD H. O. SPEARMAN, DIRECTOR, DIVISION OF STUDENT SUPPORT AND SPECIAL PROGRAMS**
- **CORA P. BEEBE, ACTING BUDGET OFFICER**
- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER**

INTRODUCTION OF ASSOCIATES

Senator Schweiker. The subcommittee will please come to order.

Next in our series of hearings the subcommittee will hear testimony on the various postsecondary education programs, including higher education, student loan insurance fund, and the facilities loan fund.

Mr. S. W. Herrell is to explain the budget request for these programs.

Mr. Herrell, would you introduce your associates and then proceed?

Mr. Herrell. I will be very happy to introduce my associates.

Of course you know Dr. Bell, and you know Mr. York. I think you have met him. The gentleman down at the end you may not know. That is Mr. Kohl. The last two gentlemen are associated with the guaranteed loan program.

Over on my left are Dr. Phillips, Dr. Spearman, and Mr. Voigt, and we will have another gentleman come and join us in a few minutes. That will be Dr. Leestma; Charlie, you know.

Senator SCHWEIKER. We regard him as a regular appendage around here anyway. We are going to put a name on his seat down there.

PREPARED STATEMENT

Mr. HERRELL. Mr. Chairman, I have a short opening statement. With your permission I will be very happy to read it.

Senator SCHWEIKER. All right. And we will insert all of your complete prepared statements into the record at this point.

[The statements follow:]

STATEMENT OF S. W. HERRELL

Higher Education

SUMMARY OPENING STATEMENT

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today to present our Fiscal Year 1976 appropriation request of $2,005,541,000 for Higher Education. This amount represents a decrease of $137,530,000 below the comparable 1975 appropriation adjusted for the President's rescission requests for a number of programs and a supplemental appropriation request for the Guaranteed Student Loan Program.

The principal goal of the Office of Education remains the equalization of educational opportunity for all our people. The effort to achieve that goal is supported by the proposed concentration of funds in four student financial aid programs best suited to this purpose: Basic Educational Opportunity Grants, Guaranteed Loans, Work-Study and Incentive Grants for State Scholarships. We are requesting $1,804,960,000 for these four programs, about 90 percent of our total budget request under this account. Under the Student Loan Insurance Fund we are requesting an additional $201,787,000. More than 2,000,000 students will be aided by these programs, better than 20 percent of all postsecondary students in this country.

In order to encourage disadvantaged students to take advantage of educational opportunities and to help them overcome obstacles to academic achievement, we are continuing our support for the Special Programs for the Disadvantaged with a request for $70,331,000. These programs offer a full range of pre- and post-enrollment supportive services for low income students.

Finally, we are requesting $110,000,000 for Strengthening Developing Institutions, our third major area of support. This program procides funds to help improve the quality of education at institutions which have traditionally served low-income and minority students.

We believe that the concentration of resources in the four student financial aid programs along with support for the special programs for the disadvantaged and for the developing institutions constitutes an effective strategy for increasing educational opportunity for all those individuals who seek a postsecondary education.

This concludes my summary presentation of the budget request for Higher Education Programs.

We will be pleased to respond to your questions, Mr. Chairman.

OPENING STATEMENT

Mr. Chairman and Members of the Committee:

I am pleased to appear before you today to present our Fiscal Year 1976 appropriation request of $2,005,541,000 for Higher Education. This amount represents a decrease of $137,530,000 below the comparable 1975 appropriation adjusted for the President's rescission requests for a number of programs and a supplemental appropriation request for the Guaranteed Loan Program.

OVERVIEW

The principal goal of the Office of Education remains the equalization of educational opportunity for all our people. The effort to achieve that goal is supported by the concentration of funds in four student financial aid programs best suited to this purpose: Basic Educational Opportunity Grants, Guaranteed Loans, Work-Study and Incentive Grants for State Scholarships. We are requesting $1,804,960,000 for these four programs, about 90 percent of our total budget request in this account. An additional $201,787,000 is being requested under the Student Loan Insurance Fund. More than 2,000,000 students will be aided by these programs, better than 20 percent of all postsecondary students in this country.

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We believe that the concentration of resources in the four student financial aid programs along with support for the special programs for the disadvantaged and for the developing institutions constitutes an effective strategy for increasing educational opportunity for all those individuals who seek a postsecondary education.

Now I would like to present more detail on our specific proposals.

STUDENT ASSISTANCE

Our student financial aid effort is based on a carefully conceived packaging of financial support beginning with a contribution by students and their families in accordance with their ability to pay, followed by a basic grant which may cover up to one half the cost of attendance, less family contributions. The Basic grant can then be supplemented by a Guaranteed Loan, Work-Study assistance, or a State Student incentive grant, as may be required to meet that part of the student's need not covered by the family contribution and basic grant. In addition to these Federal sources of student aid, further support can be obtained from State and private sources as well as from self-help efforts on the part of the student.

Basic Educational Opportunity Grants

We are requesting $1,050,000,000 to fully fund the Basic Grants Program for the first time. The amount requested will provide grants ranging from $200 to $1,400 for an estimated 1,323,000 students, with the average grant amounting to $785. Full funding will provide support to all eligible students, both full-time and part-time, at all four undergraduate levels as originally authorized and will also provide full entitlement to all undergraduates who are carrying at least half of a normal full-time load.

As has been true in prior years, a part of the appropriation is needed for administrative contracts. We are again asking that $11,500,000 be set aside for this purpose. These funds will be used principally for processing applications and disbursements of funds. In addition, contracts will be let for data collection and processing and for training student financial aid officers. The authority to expend the full amount would not be used unless required for the effective administration of the program. Any unneeded amount would be available for program grants.

We are requesting language that will permit us to carry over into academic year 1977-78 any funds which are appropriated in 1976 for use in academic year 1976-77 but which may not be needed to meet the 1976-77 payment schedule. We are also requesting language to permit us to use Fiscal Year 1976 funds to cover any shortfall in the awards which were made from the Fiscal Year 1975 appropriation.

Awards to students will be made on the basis of the best available estimates and we anticipate that we will always have either a surplus or deficit after awards are made. The payment schedule required by law depends upon estimates of the universe of need, the percentage of eligible students who participate, the family contributions, and the cost of attendance. Actual data will not be available until all applications are in and all the awards made. While we expect these estimates to improve as we gain experience, they will never be perfect.

A deficit could be handled through a request for a supplemental appropriation. However, this approach could result in considerable delays in providing students with the full amount of their awards which would cause unnecessary confusion and anxiety on the part of students and school administrators. A surplus of funds would cause even more serious problems for both the Federal Government and the schools. Such a surplus of funds would require the Office of Education to increase each student's award in an amount proportional to the amount available since current law requires that funds be used for the particular academic year for which they were appropriated.

The procedure to allocate such surplus is cumbersome and expensive because of the need to first assess the exact amount of the surplus and then to locate all the recipients. Checks probably could not be mailed until well into the academic year following the year in which the initial basic grant was made. In many cases, this procedure would result in students being overfunded in other awards and thus requiring student financial aid officers to adjust these other awards downward at a point in time well after completion of the academic year for which the awards were made. With authority to carry any surplus into the next academic year the expense and confusion of this administrative procedure will be avoided.

College Based Programs

Present legislation requires that no payments may be made for basic grants until the older, campus-based programs receive base level funding, specifically, $130 million for supplemental grants, $286 million for NDEA student loan capital, and $236 million for work-study. To permit a concentration of student aid funds in the basic grant, work-study, state student incentive grants, and guaranteed loan programs, which we believe comprise the most effective combination for equalizing educational opportunity at the post-secondary level, we are requesting your approval of special appropriation language that would waive the requirement to first fund supplemental grants and direct loans. Accordingly, while we are requesing full funding for the basic grant program, increased support for the guaranteed loan program and state student incentive grants, and more than the stipulated base level for the college work-study program, we are not requesting funds for the supplemental grant program or for new capital contributions to the direct loan program.

For work-study, we are requesting $250,000,000, the same as we requested in 1975, but $50,200,000 less than the 1975 appropriation. This amount, together with matching funds, will enable 520,000 students to earn an average of $580 during academic year 1976-77.

No funds are being requested for either the Supplemental Educational Opportunity Grants Program or for new Federal capital for the National Direct Student Loan Program. We believe that the Supplemental Grant Program largely duplicates the Basic Grants Program while the Direct Loan Program duplicates the Guaranteed Loan Program. Those two programs do not facilitate a student's freedom of choice as do the Basic Grant and Guaranteed Loan Programs nor do they provide the valuable vocational experience or beneficial services to school and community which are provided by the Work-Study Program. In regard to the Direct Loan Program, it should be pointed out that the end of federal funding does not mean the end of the program. The revolving loan funds now in existence at participating institutions are expected to total $2,800,000,000 by Fiscal Year 1976 and repayments into these loan funds are expected to enable institutions to make loans totaling $164,000,000 to 328,000 students.

For all of these reasons, we have decided it would be wiser to concentrate scarce federal resources on the Basic Grant and Guaranteed Loan Programs and not request any funds for Supplemental Grants or Direct Loans.

Guaranteed Student Loans

A major component of student financial aid is the Guaranteed Student Aid program, for which we are requesting $452,000,000 in this account and $201,787,000 in the Student Loan Insurance Fund, for a total of $653,787,000. Those students whose adjusted family income is $15,000 or less will also have the interest paid for them while they are in school. In Fiscal Year 1976, we expect this program to provide over one million loans amounting to approximately $1,650,000,000. By the end of Fiscal Year 1976, it is estimated that more than $10,000,000,000 in loans will have been guaranteed since the inception of this program. The $452,000,000 we are requesting under this account, for Guaranteed Loans, pays interest subsidies and special allowance costs on both new and prior year loans. The amount of the request is based in part on the assumption that the current maximum special allowance rate of 3 percent will be required through Fiscal Year 1976 to maintain adequate lending levels during a period of continuing high interest rates. Death and disability claims also are paid from this account. We shall subsequently appear before you to discuss our requests for this program which appear under the Student Loan Insurance Fund and in the Salaries and Expenses appropriation.

INCENTIVE GRANTS FOR STATE SCHOLARSHIPS

In order to build on the accomplishments of the past two years and to further encourage State participation in the student financial aid effort, we are asking for an appropriation of $44,000,000 for State student incentive grants. This amount is more than double the Fiscal Year 1975 appropriation of $20,000,000. The requested appropriation is expected to provide 109,200 new awards and 66,800 continuation awards. Since the states must match Federal funds dollar for dollar, the $44,000,000 requested will actually support a program level of $88,000,000. We believe that this program can play an important role in strengthening the Federal-State partnership in expanding equal educational opportunity.

SPECIAL PROGRAMS FOR THE DISADVANTAGED

In addition to lack of money, the disadvantaged are also often hampered by inadequate elementary and secondary education, lack of career counseling and a lack of self-confidence which inhibits them from seeking a postsecondary education. For these reasons, we are requesting $70,331,000 for Special Programs for the Disadvantaged which help students overcome the problems just enumerated. This funding level will support 879 projects and 302,657 students.

INSTITUTIONAL ASSISTANCE

We are requesting $128,000,000 for aid to institutions of higher education, a decrease of $7,150,000 below the revised Fiscal Year 1975 budget.

Developing Institutions

Another aspect of our goal of equal educational opportunity for all, is developing institutions. These institutions provide access to higher education for many disadvantaged and minority students. The Developing Institutions Program comprises two parts, the Basic Institutional Development component and the Advanced Institutional Development Component. The budget request contains $52,000,000 for the Basic Program. Approximately 165 institutions will receive grants averaging $315.000 for the purpose of gradually strengthening their academic and management capabilities. Although the funding level is remaining constant, the number of grants is decreasing as more institutions qualify for the advanced program and a greater effort is made to speed development through larger average grants. For the Advance Program, we are requesting $58,000,000, the same as the 1975 level. This amount will support grants averaging $2,800,000 to about 21 institutions. Under this program, substantial assistance is provided through 3-5 year grants to the stronger developing institutions in support of carefully structured projects designed to accelerate their transition to fully developed status.

Foreign Language and Area Studies

Our budget request includes $10,000,000 for support of the foreign language training and area studies programs authorized under Title VI of the National Defense Education Act (NDEA) and the Fulbright-Hays Act, the same as the amount we requested for 1975. For NDEA Title VI, we are requesting $8,640,000 to supoort 50 language centers, 31 exemplary projects, 600 graduate fellowships and 16 research projects. We are seeking $1,360,000 in Fulbright-Hays funds to support 90 doctoral dissertation fellowships, 24 faculty research fellowships and 5 group training projects.

Cooperative Education

For Cooperative Education, we are requesting $8,000,000, $2,750,000 less than the 1975 appropriation. We consider Cooperative Education to be a vital part of postsecondary education and we are pleased that we have been able to assist in the rapid expansion of cooperative education which has occurred during the last several years. There are now about 900 colleges and universities (29% of the total) with cooperative education programs. However, we believe that cooperative education has now developed such strength and momentum that it can continue its growth and development with reduced Federal support. Even at the $8,000,000 level, furthermore, we will increase the number of new awards for program development from 64 to 100 because of the fact that in 1975, 209 institutions will have reached the statutory limit of 3 year's participation in the program thus freeing money for more new awards in 1976. The total number of awards to be supported in 1976 will be 230, all for program planning, initiation and development, compared with 350 in 1975 including 23 for research and training.

OTHER INSTITUTIONAL ASSISTANCE AND PERSONNEL DEVELOPMENT

No funds are being requested for University Community Services, aid to Land Grant Colleges, Veterans' Cost of Instruction, State Postsecondary Commissions or Ethnic Heritage Studies. Those programs served useful purposes, but the need for them has greatly diminished and the time has come to redirect their resources to other, higher priority programs.

Our request for Personnel Development is $2,250,000, a reduction of $3,000,000 below the revised 1975 appropriation. The 1976 budget request continues the phaseout of the College Teacher Fellowships begun in 1972. As has been the case during the past couple of years, we are requesting only enough to allow veterans to resume fellowships interrupted by military service. We are also seeking continued funding for the Ellender Fellowships and the Council on Legal Educational Opportunity, popularly known as CLEO.

In summary, Mr. Chairman, I would like to say that we believe that the funding strategy I have just outlined will permit us to make significant progress toward the goal of equal educational opportunity for all while responsibly doing our part to hold down the rise in Federal spending.

This concludes my presentation of the budget request for Higher Education Programs.

We will be pleased to respond to your questions, Mr. Chairman.

STATEMENT OF S. W. HERRELL

on

"Higher Education Facilities Loan and Insurance Fund"

Mr. Chairman and Members of the Committee:

I am pleased to appear before you to request an appropriation for the Higher Education Facilities Loan and Insurance Fund. We are requesting $2,192,000 under this account for the payment of participation sales insufficiencies.

The Participation Sales Act of 1966 established a revolving fund for loans made under title III of the Higher Education Facilities Act, now subsumed by title VII, part C, of the Higher Education Act, as amended, and authorizes the pooling of such loans as collateral for participation certificates sold to the private credit market.

Since the interest received on these loans is less than the interest paid on the participation certificates, appropriations are needed each year to cover the difference. In fiscal year 1976, we will need $3,692,000 for this purpose. Of this amount $1,500,000 is covered by a permanent indefinite appropriation for sales authorized in fiscal year 1967. The remainder, $2,192,000 for sales authorized in 1968, is being requested now.

I shall be pleased to answer any questions the committee may have.

STATEMENT OF EDWARD T. YORK, JR.

on
Student Loan Insurance Fund

Mr. Chairman and Members of the Subcommittee:

I am pleased to appear before this Committee to request an appropriation of $201.8 million for the Student Loan Insurance Fund for fiscal year 1976, an increase of $4,187,000 over the fiscal year 1975 revised request of $197,600,000.

The Guaranteed Student Loan Program is one of the Office of Education's major student aid programs. It supports the goal of equalizing educational opportunity by helping students overcome financial barriers to a postsecondary education. Like the Basic Opportunity Grant program, this loan program affords students the freedom to select the school of their choice and course of study they prefer. The Higher Education Appropriation includes our request for interest subsidies, special allowances, and death and disability payments related to the loan program. Requirements for staffing and computer services are included in the Salaries and Expenses appropriation. The Student Loan Insurance Fund represents that part of the cost of the Guaranteed Student Loan program which requires payments in connection with loan defaults.

The Fund was authorized to enable the Commissioner of Education to pay claims for defaults on federally insured and federally reinsured student loans out of insurance premiums, collections on defaulted loans, and other receipts, as well as from funds appropriated for the purpose.

The requested $201.8 million, together with an estimated $34.7 million in other receipts, will be needed to cover obligations amounting to an estimated $236.4 million. Claims for 146,000 loans insured directly by the Federal Government account for $146.6 million, while 90,000 claims by guarantee agencies against the reinsurance program account for the other $90 million. Loans outstanding at the end of 1976 are expected to amount to an estimated $6.1 billion. The program involves 19,000 lenders and 8,700 schools. More than 8 million loans will have been made by the end of 1976.

The expansion of collection efforts in the regional offices with increases in staff planned for 1976 will result in an increase in collections on defaulted loans in the Federal Insurance program. It is estimated that $17.1 million will be collected in fiscal year 1976 compared to an estimated $7.0 million in 1975.

The guarantee agencies are expected to collect $13.8 million under the Federal Reinsurance Program.

We are also moving ahead in our overall objective of strengthening the administration and management of the program and of reducing the default rate. As a part of our effort to improve management of the program, we have consolidated all related aspects of the Guaranteed Student Loan Program under a single project manager who reports directly to the Deputy Commissioner for Management, and have reorganized the management structure of the program on functional lines.

Concurrently with improving operational procedures, expending resources, and full utilization of the budget estimation model, we are also augmenting our program of on-site review and examination of lenders, schools, and State agencies to assure that proper administrative and fiscal practices are being followed in making, servicing and collecting loans. New and revised regulations were published on February 20, 1975, designed to more adequately protect student borrowers by requiring that educational institutions provide prospective students with descriptive information, establish equitable refund policies and comply with other provisions which will improve the administration of the program and reduce defaults. These regulations also establish procedures providing for the suspension, limitation and termination of both schools and certain lenders that violate the provisions of the regulations. These latter efforts should contribute significantly over the long-run to reducing the level of defaults.

In addition, the Secretary of Health, Education and Welfare transmitted to the Speaker of the House of Representatives on February 27, 1975, legislative proposals to further reduce defaults. Three important features of this proposal are; 1) an incentive offered to lenders to encourage the multiple disbursement of loans over the course of a school year; 2) provision to eliminate proprietary schools as eligible lenders; and 3) an amendment to the Bankruptcy Act to make student loans non-dischargeable in bankruptcy during the 5 year period after the first installment thereon becomes due.

BUDGET REQUEST

Mr. **Herrell.** I am pleased to appear before you today to present our fiscal year 1976 appropriation request of $2,005,541,000 for higher education plus a total of $207,479,000 for three other closely related appropriation accounts, for a total of $2,213,020,000. The amount for the higher education account represents a decrease of $137,530,000 below the comparable 1975 appropriation adjusted for the President's rescission requests for a number of programs and a supplemental appropriation request for the guaranteed student loan program. The related accounts are student loan insurance fund, higher education facilities loan and insurance fund, and special foreign currency.

EQUALIZATION OF EDUCATIONAL OPPORTUNITY

The principal goal of the Office of Education remains the equalization of educational opportunity for all our people. The effort to achieve that goal is supported by the proposed concentration of funds in four student financial aid programs best suited to this purpose: basic education opportunity grants, guaranteed loans, work-study and incentive grants for State scholarships.

We are requesting $1,804,960,000 for these four programs, about 90 percent of our total budget request for higher education. More than 2 million students will be aided by these programs, better than 20 percent of all postsecondary students in this country.

In order to encourage disadvantaged students to take advantage of educational opportunities and to help them overcome obstacles to academic achievement, we are continuing our support for the special programs for the disadvantaged with a request for $70,331,000. These programs offer a full range of pre- and post-enrollment supportive services for low-income students.

Our third major area of support is the strengthening developing institutions program for which we are requesting $110 million, the same as the 1975 appropriation. This program provides funds to help improve the quality of education at institutions which have traditionally served low-income and minority students.

In addition to these major areas of support, we are also requesting funds for a number of smaller programs. These include $10 million for language training and area studies; $8 million for cooperative education; and $2.25 million for personnel development which includes college teacher fellowships, training for the disadvantaged and Ellender fellowships.

We believe that the concentration of resources in the four student financial aid programs along with support for the other programs I have mentioned constitutes an effective strategy for increasing educational opportunity for all those individuals who seek a postsecondary education.

Now, in addition to the funds requested for programs covered by the higher education appropriation which I have just outlined for you, we are also requesting funds for three closely related appropriation accounts which I would like to briefly describe at this time.

STUDENT LOAN INSURANCE FUND

We are seeking $201,787,000 for the student loan insurance fund, an increase of $4,187,000 over the revised 1975 request of $197,600,000. The student loan insurance fund represents that part of the cost of the guaranteed student loan program relating to payments for loan defaults. We have been taking a number of vigorous administrative actions to reduce defaults and improve collections. In addition, the Secretary of Health, Education, and Welfare transmitted to the Speaker of the House of Representatives on February 27, 1975, legislative proposals to further reduce defaults.

Three important features of this proposal are: One, an incentive offered to lenders to encourage the multiple disbursement of loans over the course of a school year; two, provision to eliminate proprietary schools as eligible lenders; and three, an amendment to the Bankruptcy Act to make student loans nondischargeable in bankruptcy during the 5-year period after the first installment thereon becomes due. If enacted, we expect that these measures will in time greatly reduce the number of defaults. Interest benefits for borrowers and a special allowance for lenders for this program are included in the higher education account.

For the higher education facilities loan and insurance fund, we will need $3,692,000 to pay participation sales insufficiencies. Title VII, part C, of the Higher Education Act authorizes the pooling of facility loans as collateral for participation certificates sold to the private credit market. Since the interest received on these loans is less than the interest paid on the participation certificates, appropriations are needed each year to cover the difference.

In fiscal year 1976, we will need $3,692,000 for this purpose. Of this amount $1.5 million is covered by a permanent indefinite appropriation for sales authorized in fiscal year 1967. The remainder, $2,192,000 for sales authorized in 1968, is being requested now.

Finally, we are requesting $2 million for educational activities overseas. These funds consist of U.S. owned excess foreign currencies and will be used to assist American education in providing selected training and research programs abroad in foreign languages, area studies, and world affairs.

This concludes my presentations of our fiscal year 1976 budget request. We will be pleased to respond to your questions, Mr. Chairman.

Senator SCHWEIKER. Do you have any estimates of what the Federal share of student aid is compared to all student aid support, private, public, State, and local?

Mr. HERRELL. The latest figure that we have, Mr. Chairman, indicates that about 15.7 percent comes from the Federal Government.

Pardon me—the latest figure is 14.4 percent, or about $5 billion, is the total estimated coming from the Federal Government.

Senator SCHWEIKER. How has that changed in recent years?

Mr. HERRELL. I just looked at the 1972–73 figures. It was 15.7 percent. It has reduced itself just a shade.

BASIC GRANT PROGRAM

Senator SCHWEIKER. We just received a letter from the Secretary informing us of another surplus in the basic grant program. This one totals $135 million. How did this happen again, and why should the Congress cut out the tried and proven programs when you are having these kinds of problems with BOG's?

Dr. PHILLIPS. I wonder if we could divide that question, let the Director of the Division of Basic and State Student Grants, Peter Voigt, answer the first part, and I will answer the latter part.

Mr. VOIGT. Mr. Chairman, as you probably know, in implementing the basic grant program each year, we have to issue a schedule of awards, that tells the institution and students what the level of awards is the beginning of the actual academic year. In order to issue that schedule, we have to make estimates of the number of students who are eligible, of those eligibles, how many will actually apply to the program, and of the applicants, how many will actually receive grants and what the level of their awards will be.

As you know, the program is a new one. When we issued the payment schedule for the second year—1974-75—we did not have any valid program experience, and therefore we had to rely on our best available data to make these estimates. These data were not collected by the program. Instead, we used other data sources, such as census data, for example, the total student population by income, by the asset position of these families, et cetera.

When we issued the payment schedule which last year had a maximum award of $1,050, we thought at that point that we would be hitting the dollar amount very closely, even incurring some risk of overexpenditure.

It turns out that during the current year our estimates were not correct, that not quite as many students applied to the program as we expected. The eligibility rate was the same, but of the students who did apply and were eligible, it appears that a significant number, for one reason or another, did not go on to postsecondary education. Of those who did go on, there was a much larger number than we expected who did not go for a full academic year either because they dropped out or because they were involved in programs that were less than a full academic year in length, which thereby reduced the average award.

As a result, we will have an amount of unexpended funds. As the program goes on, we have gathered actual data, and when we issue our next payment schedule—which will be soon, hopefully—we will have a much better base on which to make these estimates.

Of course, it is always a very difficult chore because you have to take into account not only what your students look like in postsecondary education, who will and who will not go—in other words, try to predict student behavior—but you also have to take into account economic circumstances which may affect enrollment patterns, which may affect family income of parents and students, et cetera, so it always will be a problem to some extent or another to make such estimates. But as we gain more experience, we think we will be in a much better position to issue an accurate payment schedule.

Dr. BELL. I would like to say, Mr. Chairman, that I asked the same question of my staff. They came to me to say we are going to have a $135 million surplus. I said, "What percent is that?" They said, "Twenty percent." I said, "My word, can you not estimate any closer than that?"

I was concerned and upset about it, but the estimating is a compounding of estimates on top of estimates. You have to start out by looking at the student universe in the United States and ask yourselves how many may be eligible. After you answer that one, you have to ask yourself, How many of those eligible will apply? Out of those who apply, how many will qualify? Then after that, if that is not enough, you have to ask yourself, what will be the income level of those that apply, and where across the income spectrum because that relates to the size of the grant.

Dr. **Bell.** Then after you have done that, you must estimate the asset value of the families of those that apply because those fitures are by a complex formula that was written by the Congress.

After that, you have to estimate what the size of the grants will be, based upon those economic factors. You have to try to predict how many of the very low income students will apply and qualify with those economic factors in it, because they will get a larger grant than those that are higher up in the income spectrum.

DROPOUT RATE

And then if that is not complex enough, when you get through all of that, Mr. Chairman, you have to ask yourself, How many will drop out and how many will stay in school? With a new program that is encouraging and providing a means for the low-income people to have access to college which they never had before, we are finding a dropout rate that is higher than we anticipated.

I realize that all of that——

Senator **Schweiker.** The dropout rate? You mean of people applying? What do you mean by the dropout rate?

Dr. **Bell.** They apply; they enter college and drop out and do not use the full grant.

Senator **Schweiker.** Completely out of college?

Dr. **Bell.** Yes; when that happens, that causes funds not to be used.

Senator **Schweiker.** What is the dropout rate for the BOG program?

Mr. **Voigt.** We really do not have any estimate. It is combined with not only a dropout rate, but also the figures of students who are enrolled in academic programs that are less than a full academic year. In other words, that would also reduce the award.

Senator **Schweiker.** It seems to me you ought to have some figures. This is the third year of the program. We do not even have a dropout rate. Maybe this is why we are having trouble estimating.

Mr. **Voigt.** We do have a figure for the combined total. It is roughly 14 percent. It varies considerably by the type of institution.

Senator **Schweiker.** This is the third year of the program. You were off $60 million last year. Now, you have doubled that amount this year. It looks like we are not learning from figures we do have, or we are not using our figures or the figures jump around an awful lot. It just strikes me that they would not jump that much from $60 to $135 million. It looks like we are not learning.

Dr. **Phillips.** The other side of that coin would be, last year which was really the first year of operation and a very late start, we did expend $50 million. This year, which is really the second year of operation, the expenditure is at an estimated $400 million level.

I think in fairness when you stop and think about the sort of conceptual change that occurs when you move into a program of this sort, which is in effect an entitlement program which relies very heavily on the initiative of the students to apply for and receive those entitlements, that that kind of a record—even though you are quite correct in pointing out that it does leave a significant surplus—that that kind of record is not altogether embarrassing.

In fact the utilization of the basic grant program has moved steadily along although it has not moved along as fast as we have tried to make it move along.

Senator SCHWEIKER. How many years have we been administering the program?

Dr. PHILLIPS. This is really the middle of the second year of operation. We are now requesting carryover authority so in the third year we can give the program what we regard as a fair trial at a full funding payment schedule level, which is really part of my answer to the second part of your question as to why we should eliminate proven programs in order to support basic grants.

We do believe that an entitlement program is needed. It is intended by the Congress, and we want to do our very best to insure that the entitlement concept does succeed. We believe the basic grant program offers advantages over the other programs in terms of an assurance that every student receives uniform treatment, and the moneys are uniformly available and not subject to the vicissitudes of complex State allotment formulas and various administrative procedures that result from allocations to institutions.

Third, we do want to make sure that this program has a fair trial at a full funding payment schedule level so we know that we are not losing participation because of the fact that the grants are in such limited amounts. Finally, I would point out to you that even though we are recommending the elimination of the SEOG program from the funding for next year, the total amount of money provided in this budget for grant assistance has increased over the amount of grant assistance provided in the 1975 appropriation.

We are recommending $1.05 billion for the full funding of the basic grant program, plus $44 million in the State student incentive program, which, as you know, does double itself on a 50–50 matching basis.

So you are really looking at total grant assistance in the neighborhood of $1.1 billion, whereas this year, with an appropriation of $660 million in basic grants, $240 million in SEOG, and $20 million in SSIG plus State matching funds, you are looking at a maximum grant assistance level of $940 million. For that reason, we feel this is a solid kind of a proposal and one that deserves your consideration.

Senator SCHWEIKER. I have a letter here from Senator Magnuson's State. I would like to quote a paragraph because I think this reflects exactly what I am leading up to:

> We do have concern about the administration's plan for student financial aid, in particular to the plan rely exclusively on the BOG program for grants that eliminate approximately 20 percent of the students to whom we now give financial aid.

In these meetings that our committee has, we have some very bitter fights over how to apportion these dollars. When we do make a decision, we are not anticipating as much as a 25-percent error. Frankly this makes inoperative our procedure in terms of how we allocate money.

If you are going to come up with 25-percent errors I think in my own calculations, and the committee's, too, we are going to take that more into account when we next allocate these dollars.

Here it is difficult. They are getting it cut off from one program and not getting it back from another. Here we have underestimated or undersupplied the aid by 20–25 percent. That makes us very gun shy in putting funds as requested for financial support consistent with what the administration is thinking with this kind of situation.

There is one other thing they mention here that is worth mentioning too, a part of your problem: "It has been our experience, that the turnarounf time for a student to apply and receive a BOG award is 6 weeks. This is an impossible timelag for those students to wait for financial help."

Maybe this has something to do with the other factors involved; I do not know.

Dr. PHILLIPS. Mr. Chairman, we, I think, will feel obliged to point out and to stress agaih the fact that we have not previously had good, solid, reliable program experience which would help us or permit us to make the kind of discriminating estimates that you want and deserve. We do have that now.

We are making adjustments in our participation rate estimates. It is for that reason that we can now project a full funding payment schedule with a maximum award of $1,400 if we receive the requested carryover authority.

Dr. BELL. I think we also should say, Mr. Chairman, that we have not had experience in this program with the knid of deep recession that we have now. I tried to point out in my comments here that we are putting estimates on top of estimates, as mandated in the legislation written by the Congress, and we have a tough job of administering it.

That does not excuse it a bit that we are not coming closer to that percentage figured, and I was upset about that, and we need to do better than that. I would also say we did not just decide how to estimate these within the Office of Education. We did confer with the Department. We talked to various others who seemed to have insights in the higher education community. We had a considerable amount of advice from OMB before we came at this, where we would estimate where the usage would be.

I frankly admit that we missed the estimate, but I wanted to say because we will be before you again next year that we have not had experience with this deep recession. What is that going to do? Is that going to put more students in school? Are more of them going to apply or are less going to apply because of a lack of money? I just cannot say what that is going to be. I do not think anyone can right now.

PROCESSING TIME

Dr. PHILLIPS. Mr. Chairman, with respect to the second part of your inquiry about the processing time, I would like to ask Peter Voigt if he could respond to that.

Mr. VOIGT. Mr. Chairman, we have quite obviously been quite concerned about the processing time. The maximum last year at this time took 6 weeks, as the letter indicates. By and large, the average turnaround time was a little better. As I indicated, I am quite concerned, and we have taken steps in the current processing year to significantly improve that turnaround time.

The most difficult problem encountered in turnaround time was the processing of corrections to student applications. For 1975-76, the processing of corrections, under the terms of the contract, is required to be 2 weeks, so we expect to have a significant improvement in turnaround time overall.

Dr. **Phillips.** In effect we have written into the contract for the processing of the applications a requirement that the contractor turn around corrections on the application. A student submits an application; some correction has to be made. They submit it to the student for correction, and they come back in. Those, we will admit, were being handled in a less expeditious way than would have been desired. We have now written into the contract a maximum of 2-week turnaround time for all corrections this year.

We are confident that the contractor will perform in compliance with that provision.

Dr. **Bell.** In all of this, we should not obscure the fact—and I hope my testimony is indicating that we need to do a better job—that we have room for improvement, and we need to shape up the administration of this program.

LEGISLATIVE HISTORY

Senator **Schweiker.** I just want to recall the history because I serve on the Education Committee as well as this committee. The administration was the original proposer of the BOG concept. We should make that clear. It was the administration who proposed it. Our committee did accept it and modified it somewhat.

Our committee was in a partnership. All through this whole thing, it has been the administration fighting to get more money for the BOG program and knock out our other programs. That is why I think Congress, even though I was one of those who supported the BOG program, will be very skeptical. It is hard to sell in terms of the actual appropriation with this kind of history.

That is the point I am making. It is just going to be more difficult to fund it.

One question I have: Do we really know who has received these grants? Is one of the problems to redistribute the grants? That would be exceedingly difficult because of the recordkeeping of who actually got the grants.

Mr. **Voigt.** Mr. Chairman, we do have records on who got the grants for this year. However, we had to redistribute this money since grants are still being made and will be made until the end of May. We would have to wait until the end of this fiscal year to get actual expenditure figures from the institutions—because they report to us on grant recipients, then make an estimate of what each student's individual award would be with these redistributed funds, and then generate checks to each of those approximately 600,000 students.

We estimate that it would take us roughly until about February to get the checks out. By that time many of those students will no longer be enrolled in postsecondary education. The affidavit that they signed that these funds be used for postsecondary education will essentially be meaningless.

We think that would not be a good use of very limited Federal financial aid. Therefore, we are recommending that these funds be carried over and used for next year's payment schedule, which would permit the program to go to full funding with a maximum award of $1,400.

Dr. **Phillips**. Full funding for only the first three classes, full-time and part-time students.

GUARANTEED STUDENT LOAN PROGRAM

Senator **Schweiker**. One of the other problems that was raised:

> Furthermore, the insured loan program is almost totally unavailable to our students since banks will not loan money to freshman and sophomores in community colleges. They seem to be more willing to lend money to students who complete their first 2 years of college and are pursuing their upper division work in a 4-year institution.

Does somebody want to respond to that?

Mr. **York**. Yes, I would like to respond to that. Fortunately or unfortunately, we are unable to control lenders in terms of which lenders will participate in this program. We have taken numerous steps and are continuing to take steps to try to make the program more attractive to lenders.

Part of the problem is, as the Commissioner pointed out, the current economic situation. The return on these types of loans in certain areas of the country have been considered to be inadequate by the lenders, and they are not too interested in participating in the program.

As you know, we do not make the loans. We guarantee the loans made by commercial lenders. We have taken a number of steps to expedite the processing of payments to lenders, to put additional requirements on schools, to require a closer coordination between the lenders and the schools and the borrowers so that there will be fewer defaults and less need for processing claims which cost the lender money in collection activities. But it is a problem, and as long as we have the kind of economic situation with interest rates for other types of loans that are much more attractive to lenders, it is going to be somewhat of a problem for this program.

DEFAULT RATES

Dr. **Bell**. Mr. Chairman, when I get through worrying about how my staff misestimates BOG, I can turn around and worry about how we handle the default rates.

Senator **Schweiker**. That is my next question, default rates.

Dr. **Bell**. There is room for improvement in both.

Mr. **York**. Although there are pockets of geographical areas in the country where lenders appear to be unwilling to make loans, surprisingly across the entire country the number of loans that are being made are up, and the volume has continued to increase.

Senator **Schweiker**. How much is it up?

Mr. **York**. It is up 6.7 percent.

Senator **Schweiker**. Over last year?

Mr. **York**. Yes.

Dr. **Bell**. I have had a copy of that letter from Chairman Magnuson, and I think we owe a particular piece of assistance to the institution to help them get in the guaranteed student loan program and take care of some of those other problems that he pointed out. I know they are very real for that institution. We intend to see if we can be helpful.

Senator **Schweiker**. I wonder if for the record you would give us the income levels of the students who receive assistance under each of the student aid programs?

Mr. **Herrell**. We would be very happy to.

[The information follows:]

ESTIMATED INCOME DISTRIBUTION OF FEDERAL STUDENT FINANCIAL AID RECIPIENTS

[In percent]

						GSLP	
	BEOG[1]	SSIG[1]	SEOG[1]	CWS[1]	NDSL[1]	FP[2]	GA[3]
0 to $2,999	26.5	39.7	31.6	27.6	23.6	52.3	36.1
$3,000 to $5,999	26.4		42.6	27.0	24.2		
$6,000 to $8,999	21.5	20.3	24.6	26.2	24.7	17.1	23.3
$9,000 to $11,999	16.2	17.4	1.2	19.2	27.5	10.2	19.2
$12,000 and over	9.4	22.6				7.0	14.3
No response						13.4	7.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

[1] For academic year 1974–75.

[2] GSLP: Federal program, for fiscal years 1968–74.

[3] GSLP: Guarantee agencies program, for fiscal years 1967–74.

STUDENT AID

Mr. **Herrell**. Mr. Chairman, it has been brought to my attention that in your original question you asked about student aid. The figure I gave you referred to all types of institutional support.

Dr. **Phillips**. Mr. Chairman, I believe your question, your opening question, had to do with the percentage of total student assistance expenditures derived from the Federal Government.

Senator **Schweiker**. That is what it was.

Dr. **Phillips**. I believe that has been running at a fairly constant rate, at about 30 percent of the total.

Senator **Schweiker**. What was the 14.4 percent?

Mr. **Herrell**. That referred to all types of institutional support.

Dr. **Phillips**. All moneys, all educational and general expenditures.

Senator **Schweiker**. 14.4 percent is the percentage of the higher institutional budget that is Federal money?

Mr. **Herrell**. That is correct.

Senator **Schweiker**. What is 30 percent?

Dr. **Phillips**. If you just take the commitment of all dollars to student assistance within the overall expenditure pattern in postsecondary education, our estimate is that the Federal contribution represents 30 percent of the total expenditure for student assistance, taking into account all State dollars, private dollars, institutional resources, that are put into student aid.

Senator **Schweiker**. The Federal Government is supplying 30 percent of the out-of-house educational support, is that what you are saying?

Dr. Phillips. Yes, that is correct. It should be emphasized that institutions are making a major effort in support of student aid.

Senator Schweiker. Are you in or out of that figure?

Dr. Phillips. In other words, if you take a combined total expenditure for all student assistance, including the institutional expenditures, and you take as a factor within the total the Federal share, we would estimate that the Federal component is approximately 30 percent, and that would include the institutional contribution.

Senator Schweiker. For student assistance?

Dr. Phillips. That is right.

Mr. Miller. Senator, that also includes, if I understand the figures, not only the money that is in this budget; it includes social security.

Senator Schweiker. That is my question.

Are you throwing in social security aid, DOD, and VA?

Dr. Phillips. I believe that figure includes all of it.

Mr. York. It would not come near that which is the Office of Education appropriation.

Dr. Phillips. I think, Mr. Chairman, perhaps to get a final kind of clarification, we might want to enter some figures in the record, if you would permit us to do that.

Senator Schweiker. All right.

We would like to have that.

[The information follows:]

Student Assistance Expenditures

Precise and comparable data concerning total student financial aid expenditures by source for students enrolled in postsecondary education are difficult to compile. In part, the problem is one of definition. Much financial assistance to students, notably the Federal social security and veterans assistance, is not awarded on the basis of demonstrated financial need. However, since most such recipients are financially in need of the funds to attend an institution of postsecondary education, those amounts are included here. The chart below, adapted from Financial Aid News, College Scholarship Service, January 1975, shows the total expenditures for student financial aid in 1974-75 total about $6.5 billion, of which the Federal component is about 80.9%.

Estimated Total Expenditures for Student Financial Aid (in Millions)

Academic Year 1974-75

	Amount	Percentage Distribution
OE Programs:		
Basic Grants	$ 400.0	
State Student Incentive Grants	19.0	
Supplemental Educational Opportunity Grant	210.3	
College Work-Study	270.2	
National Direct Student Loan (New Funds)	293.0	
National Direct Student Loan (Net Collections)	160.0	
Insured Loan Program	1,141.0	
Subtotal, OE	2,493.5	(38.6%)
Other Federal Agencies:		
Social Security Educational Benefits	856.0	
Veterans Educational Benefits	1,825.0	
Other Federal Programs	47.3	
Subtotal, All Federal	5,221.8	80.9%
Non-Federal Sources:		
State Scholarship/Grant Programs	410.3	
Institutional Grants	455.0	
Other Private Source Grants	50.0	
Institutional Loans	35.0	
Other Private Source Loans	2.0	
Institutional Work Aid	280.0	
Subtotal, Non-Federal Sources	1,232.3	19.1%
TOTAL	$6,454.1	100.0%

STATE RESOURCES

Dr. **Spearman**. As a rough example, the University of Minnesota reported yesterday that the total expenditures for student assistance for the University of Minnesota exceed $11 million. Of that amount, about $5 million is from Federal sources, which represents 45 percent of the total of University of Minnesota's budget for student assistance. That does not include veterans benefits. That is all the State resources, all the kinds of scholarship and grant aid, money in private funds that they come up with; the total budget is about $11 million.

That would be similar in Indiana, Wisconsin, or most of the State institutions. It would vary in the small institutions where they do not have additional resources. So many of the smaller colleges and the black colleges would show a higher percentage. So you get a variation of from 50 percent at the University of Minnesota to perhaps 80 percent or 90 percent of that at a typical small State black institution.

Senator **Schweiker**. The question I would begin to ask myself is, Why should we terminate the present program? No. 1, the BOG program really is not on target and working effectively. No. 2, the loan program is running into such a enormous default problem. Why should Congress really shift gears at this point and leave the tried and true programs?

I have been one for doing some shifting. I am beginning to wonder now if I am wrong. Why, really, should we get away from the tried and true programs if we are having fundamental trouble in both of the other areas?

Dr. **Phillips**. Mr. Chairman, if I could begin a response to that question, first of all, we are not proposing to eliminate all the tried and true programs.

Senator **Schweiker**. The funding for them.

Dr. **Phillips**. Indeed, we are recommending $250 million for the college work-study program which, I assume, you would include among those that are the tried and true programs.

Furthermore, the letter that you read earlier into the record suggested that we were going to be relying entirely upon the basic grant program to provide grant assistance. That is not true. We are recommending a $44 million Federal share in the State student incentive program to be matched by a similar amount of money by the States.

So what we are proposing, what we regard as a well-balanced kind of approach to the problem of student assistance is a significant increase in the availability of grant assistance from $940 million to $1,130 million. We are maintaining a basic level of college work-study commitment.

We are also maintaining the reliance upon the guaranteed student loan program with a very significant improvement in the administration of that program, an effort to control and reduce the default rate, to increase the efficiency of that program, and encourage greater participation from the private capital market, so we can have a balanced, simplified package of available programs to which a student and a student's family can come and see clearly what kinds of benefits they can expect to receive from the whole range of Federal programs, rather than going on indefinitely running all of these programs, many of which do overlap with each other and duplicate the availability of resources.

ELIMINATION OF SUPPLEMENTAL OPPORTUNITY GRANTS

Senator SCHWEIKER. I have the figures here. No. 1, your budget recommendations include elimination of supplemental opportunity grants. Is that not correct?

Dr. PHILLIPS. That is correct.

Senator SCHWEIKER. You are including elimination of your direct student loans.

Dr. PHILLIPS. All right.

Senator SCHWEIKER. That is a chunk of half a billion dollars that you are knocking out.

Dr. PHILLIPS. We also have to look at what we are adding.

Senator SCHWEIKER. That is the point that I was making.

Dr. PHILLIPS. You have to look at what we are adding back. We are adding almost $400 million to the basic grants over this year's appropriation.

Senator SCHWEIKER. You are saying you are adding it back. We do not know if you are adding 30 percent, 40 percent, or 20 percent. That is why I am getting a little gun shy. I hope you mean it. You do not know if you mean it.

Dr. BELL. We should emphasize that the national direct student program would not be eliminated, because the funds that are there would continue to revolve, and the program would operate. But it is true, and we need to concede that we are not adding to the capital funds in that program.

Senator SCHWEIKER. How long would the program be able to continue without any new money?

Dr. PHILLIPS. Mr. Chairman, the estimated value of the NDSL accounts or NDSL funds right now just accounting for the various foregiveness figures and so on, is $2.8 billion. That fund is estimated to produce in recycled money $164 million of new loans during the budget period for which this presentation is offered.

It should be pointed out that the NDSL program would not be discontinued under these budget proposals. Indeed, we would expect in the neighborhood of 2,000 institutions to continue in this program. We would hope that we can encourage through administrative action a greater attention to the collection of these loan moneys and a greater amount of recycling of NDSL moneys.

I would be frank to admit that we are recommending elimination of new Federal capital contributions. It is not as though we are recommending elimination or termination of that program. In fact, we feel that the $2.8 billion that is out there in institutional funds is a major national asset that we should concentrate on and try to build as a continuous source of loan capital to assist students.

I think we have to bear in mind that this was the original intent of the program, and the program has been operating for 17 years. It was originally intended that it would reach a revolving, self-sustaining status and, I think, when you think back to the National Defense Education Act of 1958, it is fairly clear that we were intending to make capital contributions available to institutions only for so long as was necessary to develop a self-sustaining revolving fund to provide loans that were otherwise not available.

Our argument is that the loans are available or can be made available through the guaranteed loan program. So additional Federal capital contributions to NDSL funds are not required.

Senator SCHWEIKER. Are you saying in your recommendation from 1976 on that you will not need new money going into the fund?

Dr. PHILLIPS. I myself would not be in a position to speak for the administration as to all future years, but I think once we got on a basis in which the loan funds began to be self-sustaining——

Senator SCHWEIKER. Are we at that basis? That is what I am trying to find out. Are we cutting the fund back?

Dr. PHILLIPS. I believe we are. With the availability of the basic grants and the SSIG program, the continued funding of work-study and, hopefully, the increased availability of guaranteed student loans, the amount of money available for recycled loans in the NDSL accounts should be sufficient to meet the needs.

Senator SCHWEIKER. "Sufficient to meet the needs," what does that mean? Does that mean we are going to have more of these people participating? Does it mean a leveling off, or does it mean a decrease? What does it mean?

Dr. PHILLIPS. There are a number of ways of figuring what need really is. There is a good deal of controversy about that.

PROGRAM PARTICIPATION

Senator SCHWEIKER. How many people are going to participate in the 1976 budget as opposed to the 1975? It is that simple.

Dr. SPEARMAN. We expect 328,000 to participate at about $500 student for the 1976 year, based upon the collection.

Senator SCHWEIKER. How much?

Dr. SPEARMAN. $164 million; we expect about 328,000 students with an average loan of about $500.

Senator SCHWEIKER. 328,000?

Dr. PHILLIPS. 328,000 loans at an average value of $500, which would be financed out of the $164 million that is revolving in those accounts.

Senator SCHWEIKER. That is for fiscal 1976?

Dr. PHILLIPS. Yes.

Senator SCHWEIKER. How does that compare to the preceding 2 years?

Dr. BELL. The previous year was 734,000. So it is a dramatic decrease. The year prior to that was 671,000.

Senator SCHWEIKER. This is my point. We are kidding ourselves—we say self-sustaining. That is a little like aid to Vietnam. Self-sustaining will not be very self-sustaining at that rate.

Dr. BELL. We anticipated that the guaranteed student loan program would pick up the difference, Mr. Chairman. We believe with the interest rates falling as they are that the guaranteed student loan program is going to be more attractive to private capital.

Senator SCHWEIKER. I am not sure, Doctor, how long those interest rates are going to be falling if we are looking around here to buy $50 billion or $80 billion worth of deficit money. About 6 months from now I cannot imagine that interest rates are going to fall. I do not think you can figure on the falling interest rates in the long term to help you, although, I think, temporarily, they will.

Mr. **York**. I agree that is an unknown factor.

Senator **Schweiker**. It is pretty known. We are up to a deficit of $80 billion going to $100 billion. I am afraid at some point in time it has to go the other way, which, I am afraid, will adversely affect what you folks are trying to do.

Dr. **Bell**. I was visiting with an economist last night, and I share your concern with the capital, that it may very well be——

Dr. **Phillips**. Another point that might need to be made here is to remember with the full funding of a basic grant program we will, perhaps, be able to reduce the overall reliance on loans as the only means available to a student to finance their education, particularly to reduce the reliance on loans to finance those with the highest need from the lowest income categories.

So if you begin to think in terms of the NDSL proposal, in terms of the overall budget picture that we have presented, our hope is, and our intention would be, that with the full funding of basic grants, you can expand the utilization of that program and reduce the reliance upon loans.

FULL FUNDING ON BASIC GRANTS

Senator **Schweiker**. When do you expect to get the full funding on basic grants? There is another wide open blank check. I am for that too.

Mr. **Herrell**. Mr. Chairman, if your committee agrees to allow us to carry over the $135 million and also agrees with the appropriation request that we are asking for, the permanent carryover provision that we anticipate, we will have full funding for the basic grants next year for the full three classes, both full time and part time, and the $1,050 million for the following year will provide full funding for all four classes, full time and part time.

Senator **Schweiker**. You are going to have full funding now? Go over that again.

Mr. **York**. Our proposal is to fully fund BOG next year if we get the carryover authority.

Dr. **Phillips**. Full funding for the first three classes, full-time and part-time students.

Senator **Schweiker**. That is how many dollars?

Dr. **Phillips**. $785 million.

Senator **Schweiker**. Per student?

Dr. **Phillips**. The average award is $785, I believe. The maximum is $1,400.

Senator **Schweiker**. $1,400. I guess that is a theoretical maximum. Do you really think you are going to make that next year?

Mr. **Herrell**. Yes, sir, if all the calculations that we have made are correct.

Senator **Schweiker**. Which is a pretty big "if."

Mr. **Herrell**. Yes, it is. But I think we can make it.

Dr. **Phillips**. I would like to have Peter Voigt elaborate on that for just a minute, if he could.

Mr. **Voigt**. As I indicated, Mr. Chairman, we are not in the position to have much, much better program data on the basis of the current year's experience.

Senator **Schweiker**. Have you computerized this material? Do you have it on computer? It seems to me they should be less wrong than we are about this.

Mr. Voigt. The problem essentially was that during the first and second years of program operations, we were basing our estimates on the total population in postsecondary education, for parts of which there is not very good data. For example, data on students enrolled in proprietary and vocational schools, that data is just not available. Second, this is a new program and we had to estimate how many students would apply. Now we have a year's worth of experience from the second year, when the program was implemented at a fairly large maximum award level of $1,050, when we implemented a program for postsecondary financial aid and fiscal officers and high school counselors; and the program was implemented in a timely fashion. Applications were available in March of this past year as opposed to August of the first year of the program's operation. We think we have a much better basis of program experience on which to make our estimates. We are not saying it will always be a guess. Our estimates are now much more based on program experience. We expect it to be considerably better.

Dr. Phillips. Again, Mr. Chairman, I would just make the point that while you are quite correct in pointing out that we missed our estimate, we should also remember that we have this year aided 600,000 students under the basic grant program, and expect to spend about $400 million. It has become a major weapon, if you will, in the effort to finance the needs of students. I think we have to try to keep a balance between an understanding of what we have done and also where we have fallen short. We freely admit our shortfall.

Senator Schweiker. There is one other thing we ought to keep in mind about keeping a balance. When we talk about full funding—and I understand the technology and the definition in the act because I was a cosponsor of it—we were talking about full funding in a time frame of 3 or 4 pears when this program was first conceived. If you compare the cost of college tuition at that point in time versus this point in time, full funding becomes a little bit irrelevant to what the problems are in meeting needs.

So, while I do not disagree technically with what you are saying about full funding, the realities are such that the gap is tremendously widened here between what the cost of college tuition was when our committee initially passed the authorizing legislation, and how $1,400 relates to it today.

What is the average cost of private college education today? It is not near $1,400. That is something the authorizing committee is going to have to take a look at very soon and change. I do not disagree with your answer. I am just saying that we should balance our answer also with the initial goal which is now eluding us a little bit, just because of the inflation problem.

WORK STUDY PROGRAM AND EMERGENCY JOBS BILL

All right. We are now considering an increase in the work study program in the emergency jobs bill. Why did HEW ask us to knock that out?

Mr. Herrell. Mr. Miller?

Mr. Miller. Primarily on the general policy which the President has.

Senator **Schweiker**. We always bring you in for these questions, Mr. Miller. We called him the wrecking crew at the last session. Why did the wrecking crew choose to knock it out this time?

Mr. **Miller**. The President has expressed his views on this pretty clearly. He has been in favor of public service jobs and summer employment. He has not felt that the other items in this appropriation are alarming. There is no attempt to speak on their merits. It is a matter of general policy.

COOPERATIVE EDUCATION PROGRAM

Senator **Schweiker**. Mr. Herrell, we are getting a lot of good reports on the cooperative education program. The program is working well in more than 600 schools. Why is your budget request going down from $10.7 to $8 million this year?

Mr. **Herrell**. Our request is based on the fact that 215 projects which we have been funding for 3 years will be terminated at the end of next year because the law limits project support to 3 years. The funds thus saved will permit us to fund 100 new projects, an increase of 25 over the previous year, as well as 130 continuation projects with the $8 million we are requesting.

Dr. **Leestma**. I would say offhand that I think our approach is very defensible. Something like 90 percent of all the cooperative education programs in this country were established in the last 10 years. There has been a very rapid buildup in a very short period of time. There is a natural concern to look at what we have learned from this experience and to assess how much more Federal assistance may be needed in those other places which may not have received Federal assistance.

The research study mandated by the Congress provided both the opportunity and the resources to do that analysis. That is what we propose to do over the course of the year. As Mr. Herrell has pointed out, the fact that so many programs have reached the third and final year permits 100 new programs to be established at this lower funding level.

Senator **Schweiker**. The only point I would like to make is, in working in our Education Committee, one of the real problems that I have seen emerge for some years is how relevant is education and how does it relate to jobs. I think here is one of the better ways of making it more relevant, of relating a student's training or whatever happens after college, during college.

It just seems to me that this gets high marks in my book because it is one of the few programs, of all the programs you have, that goes very directly to this problem of keeping education relevant to some of the needs. It is hard for me to imagine cutting it back 20 percent. It is really a thing we should be doing in a program that does make higher education relevant in a way that many other programs do not.

Mr. **Herrell**. Mr. Chairman, we hope that the study of cooperative education mandated by Public Law 93–380 will tell us whether or not the program does all the good things that we hear about it, because there are some people who have some difficulty in relating the liberal arts to the world of work. It is not so difficult to relate engineering, business management, et cetera, to the world of work. But it is much more difficult to relate some of the liberal arts courses that these students are taking to the world of work and get them to be employable in a particular area.

LIBERAL ARTS

Senator **Schweiker**. I agree with your analysis, but disagree with what that means. I think it means that maybe we ought to look at liberal arts. I happen to be a liberal arts graduate myself. I see a lot of liberal artists coming into my office looking for work. There is a large gap. First you have a disgruntled person because what he conceives of as political science in liberal arts has no relationship to what we do as Senators.

I think this is really a very fundamental question. Instead of concluding as you did, I would conclude of all the places we need it, we surely need it in liberal arts. I am a liberal arts major, a graduate in psychology. I just cannot see the problem here. It is probably worse than any other. I have seen many frustrated people come to the Hill with a liberal arts education who either cannot get a job relevant to what they studied or, when they get a job, it is so completely different from what they envisioned that all we have are persons who are misfits and who do not know where to go. It seems to me of all the areas where we would want to do this, this is the area that needs it the most. I do not in any way intend to depreciate or minimize the importance of liberal arts, because I happen to think, being a product of it myself, that it is very fundamental; but I think we have to have some relevancy, too. I think of all the relevancy problems—and I think this is the greatest—this is where your problem is.

I agree with what you are saying about the difficulty of liberal arts. I really think that is one of the most important reasons of all too innovating a new program and looking at a new concept and seeing if there is not some way to relate liberal arts more to the workaday world.

We all have to graduate some time and go to work. Most of us do anyway.

Dr. **Bell**. I gave a speech to a group of liberal arts presidents in which I made a suggestion that the liberal arts curriculum needs to be related more to the world of employment than it is. I have never been involved in such controversy.

Senator **Schweiker**. I am sure of that, because I said the same thing once, too. They really get upset about it.

Dr. **Leestma**. I think it is fair to say that no one on this side of the table disagrees with your general proposition about the importance of looking creatively at the occupational and career dimensions of a liberal arts education. It is one of the things we will be looking at very specifically in the research study on cooperative education, in part because the bulk of what we believe to be the solid experience so far with cooperative education programs has been more in the applied science portion of the postsecondary world. The study will give us an opportunity to look very critically and hopefully very creatively at what the special problems and needs are in the liberal arts portion of the higher education community.

Senator **Schweiker**. The other thing that I think, although I do not put as much emphasis on as on the first point I made, with the ever mounting tuition costs and the pricing a college education out of the average family's wage, that this is a way to solve the problem, other than total government involvement.

So, I think an awful lot can be said about there being a way to bridge the gap to your lower- and middle-income family with this kind of program. I think just on the realities of what is going to happen to educational costs in the future, it is a very worthwhile program.

Mr. HERRELL. We think it is very worthwhile also, Senator. That is the reason we are increasing the number of awards for new projects.

Senator SCHWEIKER. Having made my point, I am sure you will get as much money this year as you got last year. So, you figure out how to spend it.

STUDENT LOAN DEFAULT PROGRAM

I would like to talk a few minutes about the student loan default program. I realize you are aware of the problem. I also want to call to your attention that I am one of the sponsors of the bill, along with Senators Beall and Stafford before our Education Subcommittee, accepting some of the recommendations that you have made. So, we have already introduced a bill to pick up some of the things that you have specifically suggested, I have seen this come up about a few different ways: first, in our Labor-HEW Subcommittee; then more recently in a conference in our Education Subcommittee; Congress is getting restless when you consider our default rate.

One figure I saw showed we are 100-percent worse than anybody else in the field, and that is a pretty bad batting average. What can we do even beyond what this bill will do? I think we are probably going to pass it almost intact.

Who wants to be the first?

Mr. YORK. Unfortunately, Mr. Chairman, that happens to be mine. I hope the way you introduced the program is not the way everybody is thinking about it as a guaranteed loan default program.

Dr. BELL. That is about what it is right now.

Mr. YORK. We would like to think it does something else besides just create defaults,

Senator SCHWEIKER. What is the rate? I will make my point about the guaranteed default program.

Mr. YORK. The rate we are experiencing in 1975 is running approximately 18 percent under the federally insured program in terms of claims filed. There is another factor which I think needs to be introduced.

Senator SCHWEIKER. It sure does. Go ahead.

Mr. YORK. That is the absolute loss rate to the Government; the fact that 18 percent are filing defaults does not mean that is the loss rate for the Government. Because of our collections efforts and other efforts we have underway, the actual loss ~~rate for the~~ Federal Government is running 12 percent.

In 1976 for the first time we are predicting—and I am sure the Commissioner wants to modify me a little bit on this one—but we are predicting in 1976 a turnaround in that actual loss rate to the Government from 12.3 percent down to 11.6 percent, even though we are expecting the claim rate to increase from 18 to 19 percent. This has to do, to a large degree, with the provision of resources that this committee as well as the committee in the House provided here at the end of 1974, for the first time, to put into effect a significant collections program.

Senator SCHWEIKER. All right.

DEFAULT RATE

Mr. **York**. The default rate we are experiencing today, we have to recognize that was a situation that was created over the last 4 or 5 years. The default rate that we experience today is not something that we can control. As to the number of claims made today, we can do that through our collections efforts. We are doing that to a significant degree. We now have 135 collectors in our regional offices devoted to this collections program. In February of 1974, there were only 26 people performing that kind of activity. In fact, the dollars that we are collecting and the numbers of defaulted accounts that we are converting back to repayment status are exceeding what we predicted we would be able to do this year with that number of collectors.

Dr. **Bell**. I would like to emphasize, Mr. Chairman, as Mr. York says, that he thinks that the default rate will go down, that we are in a tough employment situation and it might well go up. I am not optimistic that we are going to get a great turnaround in this default rate with the employment picture like it is. I think that is going to be a matter that we have not cranked into our considerations yet for defaults.

I would also like to say that our loan program is different from many in that we are encouraged in the legislation, encouraged in just the loan money to poor people, and bankers would tell us that that is far from the best risk. In addition, we move into the States where there are State guarantee agencies and make loans to the private vocational institutions and other institutions that the States will not guarantee and support because the legislation requires us to do that, and this certainly has an effect upon the default rate.

I have had some ask us as they look at the State's default rate, "How come this is only about half of yours?"

Senator **Schweiker**. That was my next question.

Dr. **Bell**. I think we better entertain the possibility that they are doing a better job of managing than we are, but I would like to put alongside that the fact that we have a tougher clientele. They can exclude the risk. Then we go into the State and pick them up.

Senator **Schweiker**. Why can a State like Pennsylvania exclude the risk? I am not clear that we do exclude risk.

Dr. **Bell**. According to their statute, they can write the laws the way they want to; for example, where they guarantee only to degree-granting institutions. If that happens we come in with the 2-year colleges, with the private vocational schools, and all those institutions that have high default rates. The law even includes correspondence schools in the program, and you can imagine what a tough thing it is to handle that.

Senator **Schweiker**. Our bill changes that.

Mr. **York**. Yes, it does, and I think that would be a good improvement. The thing that I want to emphasize—and I think we ought to be careful that we do not come before you full of alibis—we need to constantly say we need to do a better job in doing what we are doing, and I am not trying to paint a picture that we are doing as well as we ought to, but I would indicate that since we lend money to the poor, as we have to come into States where the State guarantee agencies will not make loans and will not guarantee loans while we do and are required by the statute to do it, that we are picking up the high risks.

Dr. **Bell**. The States passed that.

HIGH RISK

Senator Schweiker. States like Pennsylvania, New York, have a needs test for these things too, and when you get into a needs test, you get into a high risk. Needy people are a higher risk.

Mr. York. That is true, Senator. Many of the State laws will not permit a State to make guaranteed loans to private, profitmaking institutions, for example. The law mandates that we do.

Senator Schweiker. I am not arguing that phase; I am talking about high risk.

Dr. Bell. That is where the high default is, you see.

Senator Schweiker. I thought you meant in terms of student percent. You are talking about proprietary institutions?

Dr. Bell. Our data indicates that it is these institutions.

Senator Schweiker. You folks recommended, I believe, a 5-year moratorium on bankruptcy proceedings. Was it 5 years you recommended? That is what we used in our bill, and my question is, Is that enough? Will that solve the problem, 5 years?

I do not know. We put it in the bill. We took your word for it. I am questioning that.

Mr. York. We do not think that the bankruptcy issue is a terribly significant problem. In terms of absolute number of bankruptcies, it has been going up. In terms of percentage of totals, it has actually been going down.

There are a couple figures I would like to mention which I think support what the Commissioner was mentioning to you having to do with adjusted family incomes, for example. From July of 1972 through June of 1973 in the Federal program 45 percent of the borrowers were from families with income levels of below $6,000. In the guaranteed State programs that percentage is 29 percent, so we are dealing with more low-income borrowers.

Senator Schweiker. In all those State programs?

Mr. York. Yes; that is across all those State programs, and there are 26 of those.

Senator Schweiker. Below what?

Mr. York. Below $6,000. Twenty-nine percent of the loans made in the State guarantee programs show the adjusted family income below $6,000, whereas it is 45 percent in the Federal program.

Senator Schweiker. That is a significant difference.

Mr. York. There is one other factor I would like to point out dealing with these types of institutions in the Federal program; approximately 48.3 percent attend colleges and universities, 37.2 percent attend special and vocational schools.

Senator Schweiker. Give that to me again.

Mr. York. 48.3 percent in college and university; 37.2 percent in special vocational schools, basically nondegree granters.

In the reinsurance program the State guarantee agencies percentages are 81.3 percent colleges and universities, and 6 percent special and vocational, so we are dealing with an entirely different clientele.

Senator Schweiker. You had better get those statistics around. I do not think I have seen any before. I do not think it in any way changes your responsibility or the urgency of the problem, but I think it does make a point that the doctor was making that your job is somewhat different than the State programs. I will have to say I have not heard those figures. I do not think it takes off the heat of the pressure to correct what has been happening.

Ms. **Beebe**. We have included some of those tables in our budget justification. Not in the detail you would like, but there are a couple pages showing those details in the budget justifications.

Mr. **York**. The second point I would like to make: We talk about addressing the claims we are receiving now which relate to the program in the past. The regulations that we issued on the 20th of February plus the proposed legislation will go a long way toward affecting the default rate in the future. So we are trying to attack that in two different ways.

On the claims that we are receiving, there is little we can do about whether those claims will be filed or not, we have to honor those claims. The way we can attack that is doing an adequate job of contacting the students who have defaulted and getting as many as we can into repayment status. The future of the things that are in that legislation and a number of items that are in our proposed regulations—the regulations we published on February 20—will address the future course of what is going to happen as far as defaults are concerned.

We are attacking it both ways at the same time.

Dr. **Bell**. Also, Mr. Chairman, as we pointed out, we have a new staff that this committee helped us to get, which we appreciate, that should improve of collection efforts.

Senator **Schweiker**. You are always anticipating my questions. That was the next question I was going to ask about those 200 new positions.

Dr. **Bell**. I think that is going to help. Again, I sound like I am trying to explain away our problems. I do not want to come across that way because we have to do a better job in doing what we have.

I would just want the record to show that there are 7.3 million loans out there for fiscal year 1975, so you look at that loan volume, and we will still not be addressing nearly what we ought to, and maybe we will never be able to staff up.

Mr. **York**. Also, in 1976, Mr. Chairman, our estimate is that there will be over 8.3 million disbursed loans providing over $9.2 billion to students who go to school from lenders as a result of this program.

Senator **Schweiker**. With your new regulations you say are coming out——

Mr. **York**. They were published on February 20, 1975.

Senator **Schweiker**. When are they effective?

Mr. **York**. They are effective April 7.

Senator **Schweiker**. With that and on the presumption that we do pass a bill similar to our bill. And I think that is a pretty safe assumption, are you telling me you feel fairly confident you can get your rate down to the State levels?

Mr. **York**. We think we can have a significant effect on that rate. Whether we ever get it down to the State levels, with the different populations we are addressing, is another question.

Senator **Schweiker**. I hope you are coming close to State levels.

Dr. **Bell**. I would like to temper his optimism with the fact that employment is tough and I think the rates are going to go up. That is my own feeling about it.

Senator **Schweiker**. You should temper it with the state of the economy.

Mr. **York**. That is a factor we have not quite figures quite how to incorporate in these estimates.

Dr. **Bell**. Another interesting question——

PROPRIETARY INSTITUTIONS

Senator **Schweiker**. If we adopt the bill we have you will solve one of the statistics that you gave us in terms of the proprietary institutions. That would put you in the same category as your State loan program short of the income level.

Mr. **York**. No, sir. The bill addresses removal of proprietary schools as lenders. It does not remove the proprietary schools from the program. They are still eligible institutions under the program. We are affecting a fairly small number of lenders.

The reason we have asked for that is the experience.

Senator **Schweiker**. The proprietary schools are the ones who are defaulting?

Mr. **York**. The students attending proprietary schools where the proprietary school is the lender rather than a commercial bank is where we have experienced our highest default rates, so we are attempting to remove proprietary schools as lenders and try to concentrate on the normal source of funds, the commercial lenders and savings and loan institutions for these funds.

Dr. **Bell**. I do not think we are coming across with what that means when we remove them as lenders. That just means that they cannot work both sides of the street and act as lending institutions. Students can still go to banks and get loans and go to private schools.

An interesting question, Mr. Chairman——

Senator **Schweiker**. Do you have any figures, if I may interrupt, Doctor, on that very point? Is the default rate of students, once they get out into the workaday world, because they come from proprietary schools higher?

Mr. **York**. The answer is, yes, it has been, sir, for all defaults paid through May 1974, 59.7 percent were on borrowers who attended specialized and vocational schools.

Dr. **Bell**. The point I wanted to make, Mr. Chairman, is that an interesting question about this program arises as we look at it and observe that the default rate is 18 percent. What value is it as a study of what these loans are doing for our economy? Notwithstanding the default rate, are we giving access to upward mobility in our society, and is this giving access to employment, and are we making a far greater contribution? Is this money buying great benefits in taxes and contributions and the economy? What is the cost-benefit of a program like this to the economy in eliminating tax users and converting them into taxpayers?

There is one study that I asked be concluded to get the cost-benefit of this. I would not want to brag about this, it may not be, but it might be that the guaranteed student loan investment, after you take into consideration the default rate, may be one of the best investments of the Government in generating new taxes and more valuable, employable people for society.

Those 7.3 million loans out there, what good are we doing with them, even if we do have 18 percent of them defaulting?

Senator **Schweiker**. Being a liberal arts major, I really will not take the issue.

Mr. **York**. If you start them off into that direction, it is interesting to note from fiscal year 1966 to fiscal year 1974, considering all the costs of this program, the interest benefits, the claims, the special allowances, and the salary and expenses of the staff, the outlay per dollar of the disbursed loans to the Federal Government has been 20 cents.

Senator **Schweiker**. All right, we have one more vote. I think probably we can finish.

INVOLVEMENT IN ENERGY PROPOSALS

If we do not have a quick answer to this, maybe we will put it in the record, depending on whether you can give us an answer now. To what extent have you been involved with the development of the President's energy proposals? We have received reports that the schools, most of which use residual oil, will be hardest fit. Do you have any idea of the dollar impact of new pricing policies?

Dr. **Bell**. We have not been involved, sir, in the energy proposals. We have been briefed on it afterward, but we have not been involved.

Dr. **Phillips**. Mr. Chairman, I do believe the American Council on Education's cost and analysis service has done a fairly comprehensive review of the increase in fuel costs and the impacts on postsecondary institutions. You might request copies of their report.

Senator **Schweiker**. All right. You are saying that it is the most definitive study in the field at the present time.

Dr. **Phillips**. To my knowledge, it is, sir.

DEVELOPING INSTITUTIONS

Senator **Schweiker**. Developing institutions—last year the committee indicated concern over developing institution programs. Basically, we have two areas of concern: One, the money does not seem to be fairly distributed among all minorities; two, we get a lot of reports that the money is not getting down to the students.

I wonder if we could have a breakdown of funds by target group, and would you supply the committee with a breakdown of how these funds are being used, such as travel, consultants, administrative staff salaries?

Mr. **Herrell**. We will be happy to supply that for the record.

[The information follows:]

Under the Developing Institutions Program the breakdown of funds varies considerably according to the type of cooperative arrangement and the activities involved. An institution may have as many as six activities within a cooperative arrangement, each with its own budget. In general, however, in the Basic Program travel, consultants, and administrative staff are among the major components of a budget. A grant of $100,000, for example, would allow expenditures up to 10% for travel, 5% for administration and 10% for consultants.

The Advanced Program is a highly specialized effort in total institutional development stressing three major categories, curriculum development, student services and administrative management. A grant including these components of $1,000,000, for example, would allow for approximately $250,000 for consultants, travel, and administration over a five year period.

TOTAL ENROLLMENT FOR INSTITUTIONS FUNDED UNDER TITLE III, HEA of 1965, in FY 1974

		BASIC	ADVANCED	TOTALS		
	TOTALS	345,825	88,884	434,709		
10	**Alabama**	17,171	4,812	21,983		
11	**Alaska**	1,311		1,311		
12	**Arizona**	4,771		4,771		
13	**Arkansas**	6,950		6,950		
14	**California**	3,474	6,052	9,526		
15	**Colorado**	4,758		4,758		
16	**Connecticut**	1,643		1,643		
17	**Delaware**	1,790		1,790		
18	**District of Columbia**	3,841		3,841		
19	**Florida**	17,113		17,113		
20	**Georgia**	15,465	4,901	20,366		
21	**Hawaii**	4,039	5,226	9,265		
22	**Idaho**					
23	**Illinois**	21,064		21,064		
24	**Indiana**	1,132		1,132		
25	**Iowa**	897		897		
26	**Kansas**	4,160	2,850	7,010		
27	**Kentucky**	5,921	1,548	7,469		
28	**Louiriana**	23,563		23,563		
29	**Maine**	249		249		
30	**Maryland**	7,171		7,171		
31	**Massachusetts**					
32	**Michigan**	11,814	9,747	21,561		
33	**Minnesota**	1,040	1,104	2,144		
34	**Mississippi**	10,566	1,555	12,121		
35	**Missouri**	8,085	2,341	10,426		
36	**Montana**	1,636		1,636		
37	**Nebraska**	629		629		
38	**Nevada**					
39	**New Hampshire**	412		412		
40	**New Jersey**	11,385	1,149	12,534		
41	**New Mexico**	13,201		13,201		
42	**New York**	1,283		1,283		
43	**North Carolina**	21,191	14,937	36,128		
44	**North Dakota**	4,175		4,175		
45	**Ohio**	2,289	1,273	3,562		
46	**Oklahoma**	9,527		9,527		
47	**Oregon**	5,350		5,350		
48	**Pennsylvania**	3,729	1,062	4,791		
49	**Rhode Island**	667		667		
50	**South Carolina**	6,027	2,640	8,667		
51	**South Dakota**	4,252		4,252		
52	**Tennessee**	11,199		11,199		
53	**Texas**	14,861	19,594	34,455		
54	**Utah**	2,490		2,490		
55	**Vermont**	714		714		
56	**Virginia**	8,631	5,826	14,457		
57	**Washington**	2,038		2,038		
58	**West Virginia**	17,821	2,267	20,088		
59	**Wisconsin**	1,970		1,970		
60	**Wyoming**	525		525		
61	**U. S. Service Schools**					
62	**Canal Zone**					
63	**Guam**					
64	**Puerto Rico**	20,059		20,059		
66	**Virgin Islands**	1,776		1,776		

TITLE III, HIGHER EDUCATION ACT OF 1965

COMBINED BASIC AND ADVANCED PROGRAMS

FISCAL YEAR 1974

	Number of Grantees	Percent of Grantees	Total Funds	Percent of Funds	Average Grant AIDP	Average Grant BASIC
All Grantee Institutions	251	100%	$99,992,000	100%	$1,333,333	$214,823
Four-Year	159	63.3%	$75,992,000	76.0%	$1,586,086	$290,529
Two-Year	92	36.7%	$24,000,000	24.0%	$ 886,153	$157,974
Public Institutions	129	51.4%	$48,269,880	48.3%	$1,174,736	$235,908
Four-Year	54	21.5%	$27,324,880	27.3%	$1,685,714	$330,316
Two-Year	75	29.9%	$20,945,000	21.0%	$ 876,666	$165,476
Private Institutions	122	48.6%	$51,722,120	51.7%	$1,510,588	$248,020
Four-Year	105	41.8%	$48,667,120	48.7%	$1,542,500	$269,515
Two-Year	17	6.8%	$ 3,055,000	3.0%	$1,000,000	$128,437
Predominantly Black Institutions	85	33.9%	$58,695,000	58.7%	$1,615,277	$442,069
Four-Year	70	27.9%	$53,330,000	53.3%	$1,746,666	$493,272
Two-Year	15	6.0%	$ 5,365,000	5.4%	$ 958,333	$207,500
Predominantly White Institutions	166	66.1%	$41,297,000	41.3%	$1,051,286	$151,162
Four-Year	89	35.4%	$22,[illegible]2,000	22.7%	$1,2[illegible]5,000	$152,[illegible]
Two-Year	77	30.7%	$18,6[illegible]	18.6%	$ 8[illegible]4,500	[illegible]

TITLE III

STRENGTHENING DEVELOPING INSTITUTIONS

BASIC INSTITUTIONAL DEVELOPMENT PROGRAM

FISCAL YEAR 1974

	Number of Grantees	Percent of Grantees	Total Funds	Percent of Funds	Average Grant	No. of NTF's	No. of PE's
All Grantee Institutions	215	100%	$51,992,000	100%	$241,823	524	59
Four-Year	136	62.3	$39,512,000	76.0	$290,529	362	56
Two-Year	79	36.7	$12,480,000	24.0	$157,974	62	3
Public Institutions	110	51.2	$25,949,880	49.9	$235,908	221	24
Four-Year	47	21.9	$15,524,880	29.9	$330,316	189	23
Two-Year	63	29.3	$10,425,000	20.0	$165,476	32	1
Private Institutions	105	48.8	$26,042,120	50.1	$248,020	303	35
Four-Year	89	41.4	$23,987,120	46.1	$269,518	273	33
Two-Year	16	7.4	$ 2,055,000	4.0	$128,437	30	2
Predominantly Black Institutions	67	31.2	$29,620,000	57.0	$442,089	299	41
Four-Year	55	25.6	$27,130,000	52.2	$493,272	293	40
Two-Year	12	5.6	$ 2,490,000	4.8	$207,500	6	1
Predominamtly White Institutions	148	68.8	$22,372,000	43.0	$151,162	225	18
Four-Year	81	37.7	$12,382,000	23.8	$152,864	169	16
Two-Year	67	31.1	$ 9,990,000	19.2	$149,104	56	2

ADVANCED INSTITUTIONAL DEVELOPMENT PROGRAM

Division of College Support

FISCAL YEAR 1974

	Number of Grantees	Percent of Grantees	Total Funds	Percent of Funds	Average Grant
All Grantee Institutions	36	100%	$48,000,000	100%	$1,333,333
Four-year	23	63.9%	$36,480,000	76.0%	$1,586,086
Two-year	13	36.1%	$11,520,000	24.0%	$ 886,153
Public Institutions	19	52.8%	$22,320,000	46.5%	$1,174,736
Four-year	7	19.5%	$11,800,000	24.6%	$1,685,714
Two-year	12	33.3%	$10,520,000	21.9%	$ 876,666
Private Institutions	17	47.2%	$25,680,000	53.5%	$1,510,588
Four-year	16	44.4%	$24,680,000	51.4%	$1,542,500
Two-year	1	2.8%	$ 1,000,000	2.1%	$1,000,000
Predominantly Black Institutions	18	50.0%	$29,075,000	60.6%	$1,615,277
Four-year	15	41.7%	$26,200,000	54.6%	$1,746,666
Two-year	3	8.3%	$ 2,875,000	6.1%	$ 958,333
Predominantly White Institutions	18	50.0%	$18,925,000	39.4%	$1,051,388
Four-year	8	22.2%	$10,280,000	21.4%	$1,285,000
Two-year	10	27.8%	$ 8,645,000	18.0%	$ 864,500

SPANISH SPEAKING PROGRAMS SUPPORTED IN FY 74 BY TITLE III, STRENGTHENING DEVELOPING INSTITUTIONS

STATE	GRANTEE	TOTAL GRANT TO INSTITUTION	AMOUNT OF GRANT FOR SPANISH-SPEAKING PROGRAMS
ARIZONA	Arizona Western Coll.	$100,000	$100,000
	Cochise Coll.	$250,000	$250,000
CALIFORNIA	Imperial Valley Coll.	$125,000	$125,000
	Pacific Coll. of Fresno	$100,000	$ 75,000
COLORADO	Trinidad State Jr. Coll.	$150,000	$150,000
FLORIDA	Biscayne Coll.	$100,000	$100,000
ILLINOIS	Lewis Univ.	$165,000	$ 40,000
MICHIGAN	Lansing Comm. Coll.	$175,000	$100,000
NEW MEXICO	College of Santa Fe	$200,000	$200,000
	Eastern New Mexico U.,Portales	$100,000	$ 50,000
	Eastern New Mexico U.,Roswell	$110,000	$110,000
	New Mexico Highlands	$410,000	$327,000
	Univ. of Albuquerque	$200,000	$150,000
	Western New Mexico Univ.	$250,000	$200,000
PUERTO RICO	Bayamon Central	$250,000	$250,000
	Catholic Univ.	$200,000	$200,000
	College of Sacred Heart	$175,000	$175,000
	Inter American Univ.	$100,000	$100,000
	Puerto Rico Jr. Coll.	$300,000	$300,000
	World Univ.	$230,000	$230,000
TEXAS	Incarnate Word Coll.	$100,000	$100,000
	Laredo Jr. Coll.	$125,000	$125,000
	*Pan American Univ.	$1,200,000	$1,200,000
	*St. Mary's Univ.	$1,620,000	$1,620,000
	St. Philip's Coll.	$130,000	$130,000
	Southwest Texas Jr. Coll.	$125,000	$125,000
	*Texas Southmost Coll.	$800,000	$800,000
UTAH	College of Eastern Utah	$100,000	$ 50,000
WYOMING	Eastern Wyoming Coll.	$100,000	$100,000

Total from Basic - 26 grants for $3,812,000, or 7.33% of $51,992,000
Total from AIDP - 3 grants for $3,620,000, or 7.5 % of $48,000,000
Total from Title III-29 grants for $7,432,000, or 7.43% of $99,992,000

* Supported by Advanced Institutional Development Program

AMERICAN - INDIAN PROGRAMS SUPPORTED IN FY 74 BY TITLE III, STRENGTHENING DEVELOPING INSTITUTIONS

STATE	GRANTEE	TOTAL GRANT TO INSTITUTION	AMOUNT OF GRANT FOR AMERICAN INDIAN PROGRAMS
ALASKA	Alaska Methodist Univ.	$150,000	$150,000
	Sheldon Jackson Coll.	$100,000	$100,000
ARIZONA	College of Ganado	$105,000	$105,000
	Navajo Comm. Coll.	$475,000	$475,000
COLORADO	Fort Lewis Coll.	$250,000	$250,000
KANSAS	Baker Univ.	$100,000	$100,000
MICHIGAN	Lansing Comm. Coll.	$175,000	$ 75,000
MONTANA	Carroll Coll.	$150,000	$ 50,000
	Miles Comm. Coll.	$100,000	$100,000
NEW MEXICO	New Mexico Highlands Coll.	$410,000	$ 33,000
	Univ. of Albuquerque	$200,000	$ 40,000
	Western New Mexico Univ.	$250,000	$ 50,000
NORTH CAROLINA	Pembroke State Univ.	$150,000	$ 50,000
	Univ. of North Carolina, (Wilmington)	$105,000	$ 30,000
NORTH DAKOTA	Bismarck Jr. Coll.	$150,000	$150,000
	North Dakota State Univ. (Bottineau)	$150,000	$150,000
	Lake Region Comm. Coll.	$125,000	$125,000
	Mary Coll.	$200,000	$200,000
OKLAHOMA	Bacone Coll.	$150,000	$150,000
	Connors State Coll.	$120,000	$120,000
	Eastern Oklahoma State Coll.	$170,000	$170,000
OREGON	Central Oregon Comm. Coll.	$170,000	$170,000
SOUTH DAKOTA	Black Hills State Coll.	$300,000	$300,000
	Northern State Coll.	$100,000	$ 29,000
UTAH	College of Eastern Utah	$100,000	$ 50,000
	Southern Utah State	$100,000	$ 20,000
WASHINGTON	Wenatchee Comm. Coll.	$175,000	$175,000
WISCONSIN	Northland Coll.	$100,000	$100,000

TOTALS from BASIC Program: 28 Grants for $3,517,000 or 6,76% of $51,992,000

Note: As no funds in FY 74 were designated from the Advanced Program for American Indian Programs, the above figures reflect those for the Title III Program, except the percent of funds which is 3.51% of $99,992,000.

A COMPARISON BETWEEN FISCAL YEARS 1966 - 1975
BASIC INSTITUTIONAL DEVELOPMENT PROGRAM
TITLE III, HIGHER EDUCATION ACT OF 1965

	1966	1967	1968	1969	1970	1971	1972	1973	1974
Funds Appropriated & Obligated	$ 5,000	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ 33,850	$ 51,850	$ 51,850	$ 51,992
Funds Requested by Institutions	$ 32,250	$ 56,792	$113,925	$ 95,187	$ 85,434	$105,048	$143,000	$220,000	$198,000
Number of Proposals Submitted	310	560	500	464	433	441	456	470	511
Number of Grantees Developing Inst.	(127)	(411)	(220)	(229)	(227)	(198)	(226)	(235)	(215
Other Non-Grantee Participating Inst.	(31)	(55)	(148)	(186)	(215)	(307)	(330)	(232)	(139
Total Developing Inst. Benefiting from Title III Funds	158	466	368	415	442	505	556	467	354
Assisting Institutions	66	168	131	142	156	151	185	181	163
Assisting Agencies & Businesses	9	53	28	47	51	53	101	134	178
National Teaching Fellowships Approved	263	1,514	727	655	649	541	635	354	524
Professors Emeriti Awarded	--	--	--	--	56	64	73	45	59
Geographical Representation of Grantees	38 States & D.C.	47 States Guam P.Rico D.C.	45 States Guam P.Rico V. Isl.	45 States Guam P.Rico V. Isl.	44 States Guam P.Rico V. Isl. D.C.	40 States P.Rico V. Isl. D.C.	43 States P.Rico V. Isl. D.C.	43 States P.Rico V. Isl. D.C.	47 State P.Rico V. Isl D.C.

TITLE III - STRENGTHENING DEVELOPING INSTITUTIONS
GRANT AWARD INFORMATION - FISCAL YEAR 1974

GRANTEES - PREDOMINANTLY BLACK INSTITUTIONS

INSTITUTION NAME	STATE	AWARDED REQUESTED YEA
ALABAMA A&M UNIVERSITY	AL	54[illegible],000
ALABAMA STATE UNIVERSITY	AL	332,480
ALBANY STATE COLLEGE	GA	560,000
ALCORN A & M COLLEGE	MS	467,480
ALLEN UNIVERSITY	SC	200,000
BARBER-SCOTIA COLLEGE	NC	552,500
BETHUNE-COOKMAN COLLEGE	FL	707,260
BOWIE STATE COLLEGE	MD	627,400
CHEYNEY STATE COLLEGE	PA	330,000
CHICAGO CC KENNEDY-KING	IL	275,000
CHICAGO CC OLIVE HARVEY	IL	225,000
CLAFLIN COLLEGE	SC	323,000
* COAHOMA JUNIOR COLLEGE	MS	160,000
COPPIN STATE COLLEGE	MD	442,500
DANIEL PAYNE COLLEGE	AL	200,000
DC TEACHERS COLLEGE	DC	350,000
DELAWARE STATE COLLEGE	DE	267,500
DILLARD UNIVERSITY	LA	375,000
DURHAM COLLEGE	NC	150,000
EDWARD WATERS COLLEGE	FL	275,000
ELIZABETH CITY STATE UNIV	NC	623,400
FAYETTEVILLE STATE UNIV	NC	655,000
FLORIDA A&M UNIVERSITY	FL	627,980
FLORIDA MEMORIAL COLLEGE	FL	460,720
FORT VALLEY STATE COLLEGE	GA	355,000
GRAMBLING COLLEGE	LA	452,000
HUSTON-TILLOTSON COLLEGE	TX	651,300
JARVIS CHRISTIAN COLLEGE	TX	862,480
KNOXVILLE COLLEGE	TN	1,234,280
LANE COLLEGE	TN	488,400
LANGSTON UNIVERSITY	OK	410,000
LEMOYNE-OWEN COLLEGE	TN	385,000
LINCOLN UNIVERSITY	MO	360,000
LIVINGSTONE COLLEGE	NC	405,000
MALCOLM X COLLEGE	IL	275,000
MARTIN TECHNICAL INST	NC	150,000

TITLE III - STRENGTHENING DEVELOPING INSTITUTIONS
GRANT AWARD INFORMATION - FISCAL YEAR 1974

GRANTEES - PREDOMINANTLY BLACK INSTITUTIONS

INSTITUTION NAME	STATE	AWARDED REQUESTED YEAR
MILES COLLEGE	AL	615,000
MISSISSIPPI VALLEY ST COL	MS	522,500
MORRIS COLLEGE	SC	315,000
MORRISTOWN COLLEGE	TN	150,000
OAKWOOD COLLEGE	AL	205,000
PAINE COLLEGE	GA	665,000
PAUL QUINN COLLEGE	TX	270,000
PHILANDER SMITH COLLEGE	AR	292,000
S.D. BISHOP STATE J C	AL	225,000
SAINT PAUL'S COLLEGE	VA	772,980
SAVANNAH STATE COLLEGE	GA	345,000
SHAW COLLEGE AT DETROIT	MI	437,000
SOUTHERN U IN NEW ORLEANS	LA	427,000
SOUTHERN U. - BATON ROUGE	LA	594,820
SOUTHERN UNIV SHREVEPORT	LA	300,000
ST. PHILIP'S COLLEGE	TX	130,000
STILLMAN COLLEGE	AL	725,000
TACTICS FALL FUND-4YR PUB		263,500
TACTICS FALL FUND-4YR PVT		876,500
TALLADEGA COLLEGE	AL	568,400
TENNESSEE STATE UNIV	TN	670,000
TEXAS COLLEGE	TX	325,000
THEODORE A LAWSON ST JR C	AL	250,000
TOUGALOO COLLEGE	MS	637,500
U OF ARKANSAS PINE BLUFF	AR	325,000
U OF MD.EASTERN SHORE	MD	474,740
UTICA JUNIOR COLLEGE	MS	250,000
VIRGINIA STATE COLLEGE	VA	554,000
VOORHEES COLLEGE	SC	615,800
WEST VIRGINIA STATE COLL	WV	262,500
WILEY COLLEGE	TX	250,000
WINSTON-SALEM STATE UNIV	NC	305,000

NATIONAL TOTAL		29,354,000
College of the Virgin Islands --------------------------		+ 266,000
		$ 29,620,000

NUMEROUS COMPLAINTS ON PROGRAM

Senator **Schweiker**. Is there anybody that would like to take a crack at it?

Dr. **Bell**. I might indicate, Mr. Chairman, for my share I get a considerable number of complaints on this program. There are so many institutions that apply that do not make it. We have unhappy institutions, unhappy Congressmen, and the rest because we cannot make the money reach out there where it is.

Senator **Schweiker**. Would you like to respond, Doctor, generally to it?

Dr. **Leestma**. The kind of answer you would like can best be submitted for the record with all the statistics and the figures. But when you receive the various data and go through them, I think you will see that with the funds that have been available, and with the very wide range of institutional needs and the large number of institutions interested and qualified, by any reasonable standard the competitive distribution by racial or ethnic group, by geographic spread, by type of institution is very fair and respectable indeed.

If you would like, I will give you a few examples of such data now, but will not endeavor to try to provide here all of the information with the time schedule you have this afternoon.

Senator **Schweiker**. You will supply it for the record? I think it would be better to have it there because we would like to have the specific data.

Mr. **Herrell**. Mr. Chairman, I would like to make one statement. None of the developing institution money, as you know, goes to the students as such. It is an institutional development program.

Dr. **Bell**. The chairman's question was, Is it resulting in improved services to students?

Dr. **Leestma**. There is no doubt about that. The basic fact is that this money is the money needed by the institution beyond that provided by tuition to provide the kind of quality education in an adequate range of curriculer offerings in the applied sciences as well as the liberal arts and the preparatory work for the various professions.

As you know, the bulk of the institutions served by this program need strengthening in various dimensions and serve a large number of disadvantaged students. These institutions have a commitment to do a progressively better job. Obviously if you are going to offer a high-caliber program and you have very low tuition rates and if you are admitting a student body that in many cases is not as well prepared as the national average, then there has to be a source of additional funds somewhere to cover the inescapable costs involved. It is this institutional-development program that provides the funds above and beyond tuition to make possible a good-caliber education for all the students in these institutions. The institutions assisted by this program are an especially important national resource.

STATE STUDENT INCENTIVE GRANTS

Senator **Schweiker**. The last question I have relates to student incentive grants. Prior to this time HEW has not really supported this program. Now, we are presently surprised to see that the request is twice as much as last year—$44 million versus $20 million. What happened?

Mr. HERRELL. Mr. Chairman, we wanted to have a well-rounded student financial aid program, and we convinced the powers that be that this program could make an important contribution to that objective.

Senator SCHWEIKER. How did you get through?

Dr. BELL. I was hoping you would say a great new commissioner came on the scene.

Senator SCHWEIKER. We have to give him some credit at this hearing.

Dr. PHILLIPS. Mr. Chairman, I do think it is important to know for the record that in the 3 years that the State student incentive grant program has been in existence, the number of States offering scholarships and grant programs has increased from 20 to 45, and the volume of money has increased from $350 million to over $500 million. I believe the budget recommendation is a reflection of the success of this program in establishing a kind of State-Federal partnership to provide State supplemental grants to students.

Senator SCHWEIKER. We are very encouraged. We are glad you feel the same way.

Doctor, you may want to add to it?

Dr. BELL. No, sir; I do not think I had better.

Senator SCHWEIKER. All right.

For what purpose is the extra money you envision? Just enlarging?

Dr. PHILLIPS. Mr. Chairman, this would be the third year of operation, and we would spend $26.5 million for initial grants, $4 million for second-year grants and $13.5 million for third-year grants. These figures take into account the fact that there is some attrition and some people do not go on beyond the second year of instruction.

What we are envisioning is to continue to finance initial-year awards at the level of $26.5 million. That really translates into $53 million of total available money because of the 50–50 matching requirement, and a total of $8 million for second-year grants and $27 million, for third-year grants.

SOUTH DAKOTA INSTITUTIONS

Senator SCHWEIKER. What is the financial status of Sinte Gleska Community College on the Rosebud Sioux Reservation in South Dakota and of the Dakota Higher Education Center on the Pine Ridge Indian Reservation in South Dakota?

Mr. HERRELL. We do not have exact information on the current financial status of Sinte Gleska Community College and Dakota Higher Education Center. However, their enrollments are increasing and they appear to be quite viable institutions. These schools are not yet accredited and so they are not eligible to be grantees under the strengthening developing institutions program. However, they are receiving assistance from this program through a grant which we have made to Black Hills State College with which they are affiliated.

Senator SCHWEIKER. Has there been a request by the colleges for additional money? Do you need additional moneys to fund these colleges? If so, how much money is needed?

Mr. HERRELL. We have not completed the review process for our 1975 grants. However, I can say that it is very likely we will refund Black Hills State College, and at a higher funding level than last year.

JUSTIFICATION

Senator **Schweiker.** All right. We will put your budget material in the record.

[The justification follows:]

Justification

APPROPRIATION ESTIMATE

Higher Education

For carrying out, to the extent otherwise provided, titles [I,][1] III, IV, [section 745 of title VII,][2] and parts [A][3] B [,C,][4] and D of Title IX [, and section 1203][5] of the Higher Education Act, the Emergency Insured Student Loan Act of 1969, [as amended, section 207 and][6] title VI of the National Defense Education Act, [as amended,][7] the Mutual Educational and Cultural Exchange Act of 1961, [section 22 of the Act of June 29, 1935, as amended (7 U.S.C. 329), section 421 of the General Education Provisions Act,][8] and Public Law 92-506, [of October 19, 1972, $2,131,271,000][9] *$2,005,542,000*, of which [$240,300,000 for supplemental educational opportunity grants and][10] amounts [reallotted][11] for work-study *and incentive grants*[12] shall remain available through [June] *September* 30, [1976, $23,750,000 shall be for veterans cost-of-instruction payments to institutions of higher education, and $660,000,000 shall be][13] *1977*, and *of the $1,050,000,000* for basic opportunity grants [(including][14] not to exceed $11,500,000 *shall be* for administrative expenses[) of which $648,500,000] *and $1,038,500,000* shall remain available through [June] *September 30*, [1976, $315,000,000] *1977, $452,000,000* for subsidies on guaranteed student loans shall remain available until expended: *Provided*, That [none of the funds in this Act shall be used to pay any amount for basic opportunity grants for students who were enrolled at institutions of higher education prior to April 1, 1973][15] *funds appropriated for basic opportunity grants may be paid without regard to section 411(b)(4) of the Higher Education Act:*[16] *Provided further, That amounts appropriated for basic opportunity grants shall first be available to meet any insufficiencies in entitlements resulting from the payment schedule for basic opportunity grants published by the Commissioner of Education during the prior fiscal year: Provided further, That any amounts appropriated herein for basic opportunity grants in excess of the amounts required to meet the payment schedule published for any fiscal year shall be carried forward into the next fiscal year.*[17]

For "Higher education" for the period July 1, 1976, through September 30, 1976, $124,000,000, to remain available until expended. (Department of Health, Education, and Welfare Appropriation Act, 1975.)[18]

Explanation of Language Changes

1/ No funds are requested for university community services.

2/ No funds are requested for annual interest grants for construction of academic facilities.

3/ No funds are requested for grants to institutions of higher education for graduate programs.

4/ No funds are requested for public service fellowships

5/ No funds are requested for State planning commissions.

6/ No funds are requested for loans to institutions under the National Direct Student Loan program.

7/ Editorial change.

8/ No funds are requested for aid to land-grant colleges or for State administration of Federal construction and equipment programs.

9/ Editorial change.

10/ No funds are requested for supplemental educational opportunity grants.

11/ To provide two year availability of work-study funds.

12/ To provide two year availability of funds for State stuient incentive grants

13/ No funds are requested for veterans cost-of-instruction payments. Also part of editorial change for basic grants citation.

14/ Editorial change.

15/ Grants will be for four classes of students. The 1975 funds were restricted to three classes.

16/ Proposed waiver of the provision in the authorizing legislation that specifies amounts be appropriated for the older student assistance programs before any payments may be made for Basic Grants.

17/ Pending amendment of the authorizing legislation, this special appropriation language would waive the requirement that all of the amount appropriated for basic grants be paid to students who are in attendance during a particular school year. The special language would permit the funds not needed to meet the payment schedule for 1976-77, if any, to be carried forward and used (along with the 1977 appropriation) to meet the payment schedule for 1977-78. It would, also, permit use of the 1976 appropriation to meet any insufficiencies that might occur in connection with the 1975-76 payment schedule (that schedule, of course, would be funded, primarily, by the 1975 appropriation).

18/ To pay interest benefits, special allowance to lenders, and death and disability claims in connection with the guaranteed student loan program during the transition period between fiscal year 1976, which ends June 30, 1976, and fiscal year 1977, which begins October 1, 1976.

Analysis of Special Appropriation Language

Language Provision	Explanation
"...amount [reallotted] for work-study...shall remain available through...*September 30...1977*"	This provision, by deleting the word "reallotted," would permit two-year availability for work-study funds. Without the deletion the language, following the authorizing legislation, would provide two year availability only for funds allotted to a State which could not be fully utilized by that State and would therefore be reallotted for use by others. As all States are now capable of fully utilizing allotted funds, no excess is anticipated. However, funds allocated to institutions within a State are not totally utilized in all cases and could be reallocated. Due to the full year forward funding aspect of the work study program, the existence of excess funds cannot be ascertained until after the expiration of obligational authority under the current appropriation language. Providing two year availability would permit the Office of Education to adjust funds among institutions during the academic year in which they are being utilized.
"...not to exceed $11,500,000 *shall be* for administrative expenses..."	This provision continues an administrative set-aside amount for the basic grants program which the basic authorizing legislation left unspecified. Without this provision the entire appropriation would be available only for program grants.

Analysis of Special Appropriation Language

Language Provision	Explanation
Provided that...funds appropriated for basic opportunity grants may be paid without regard to Section 411 (b) (4) of the Higher Education Act.	This provision waives the requirement in the authorizing legislation that specified amounts be appropriated for the older student assistance programs (supplemental grants work-study, and direct loan capital) before any payments are made under the basic grants program.
Provided further, That amounts appropriated for basic opportunity grants shall first be available to meet any insufficiencies in entitlements resulting from the payment schedule for basic opportunity grants published by the Commissioner of Education during the prior fiscal year: Provided further, That any amounts appropriated herein for basic opportunity grants in excess of the amounts required to meet the payment schedule published for any fiscal year shall be carried forward into the next fiscal year.	This provision is intended to simplify administration of the basic educational opportunity grants program. Modification of the authorizing legislation has also been proposed. Current legislation requires that every dollar appropriated for the program go to students in attendance during a specific academic year. This would require adjustments to each student's grant as well as to payment schedules. The alternative provided for here would be to issue a single payment schedule early in the Spring which is based upon the appropriation for this program. A single schedule is being proposed in order to provide a measure of certainty and stability for both students and institutions of higher education. The publication of a single payment schedule would, however, require dealing with the problem of either having too little or too much appropriated to meet the requirements of the schedule. It is proposed that the potential shortfall or surplus be dealt with by including language in the appropriation bill which would allow a surplus of funds to be carried into the next fiscal year and a shortfall to be a first priority claim on subsequent year funds. This will permit the publication of a single schedule rather than constant or frequent schedule revisions throughout the year either having to take away funds already promised to students or to give them additional small amounts because additional funds become available.

Higher Education

Amounts Available for Obligation

	1975 Revised	1976
Appropriation (annual)	$2,131,271,000	$2,005,541,000
Appropriation (permanent)	2,700,000	---
Proposed supplemental	67,400,000	---
Proposed rescisisons	-58,300,000	---
Subtotal, adjusted appropriation	$2,143,071,000	$2,005,541,000
Comparative transfer from:		
Occupational, Adult, and Vocational education for Ethnic heritage	---1/	---1/
Subtotal, budget authority	$2,143,071,000	$2,005,541,000
Unobligated balance, start of year	432,870,213	371,504,254
Unobligated balance, end of year	-371,504,254	-539,954,254
Total, obligations	$2,204,436,959	$1,837,091,000

1/ $1,800,000 appropriated for this activity in 1975 is included in the proposed rescissions for Occupational, Adult and Vocational education.

Summary of Changes
(Obligations)

1975 Estimated obligations[1]	$2,197,136,959
Less: 1975 Proposed Rescissions[1]	-60,100,000
Plus: 1975 Proposed Supplementals	67,400,000
1975 Revised obligations	2,204,436,959
1976 Estimated obligations	-1,837,091,000
Net change	-367,345,959

	1975 Base	Change from Base
Increases		
A. Built-in:		
1. Guaranteed student loan program	$388,666,637	$+64,083,363
2. NDSL Teacher cancellations	6,440,000	+ 2,520,000
3. Construction loan subsidies	20,000,000	+ 3,000,000
Total, increases		+69,603,363
Decreases:		
A. Program:		
1. Student assistance[2]	$1,537,653,322	-385,853,322
2. Institutional assistance[2]	175,346,000	-47,346,000
3. Personnel development	6,000,000	-3,750,000
Total, decreases		-436,949,322
Total, net change		-367,345,959

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[1] Includes $1,800,000 for Ethnic Heritage.

[2] Except for built-in increases noted above.

Summary of Changes
(Budget Authority)

1975 Enacted budget authority	$2,133,971,000
Less: 1975 Proposed rescissions	-58,300,000
Plus: 1975 Proposed supplementals	67,400,000
1975 Revised budget authority	2,143,071,000
1976 Requested budget authority	2,005,541,000
Net change	-137,530,000

	1975 Base	Change from Base
Increases:		
A. Built-in:		
1. Guaranteed student loan program	$382,400,000	$+69,600,000
2. NDSL teacher cancellations	6,440,000	+2,520,000
Total, increases		+72,120,000
Decreases:		
A. Program:		
1. Student assistance 1/	1,549,940,000	-199,500,000
2. Institutional assistance	135,150,000	-7,150,000
3. Personnel development	5,250,000	-3,000,000
Total, decreases		-209,650,000
Total, net change		-137,530,000

Explanation of Changes

Increases:

A. Built-in:

1. Guaranteed student loan program: Growth of the subsidized insured loan program is expected to continue in 1976 thus requiring an increase in the cost of subsidies. Funds brought forward from 1974 covered some of the 1975 obligations; and, therefore, the increase in budget authority is greater than the increase in obligations.

2. National defense student loan, teacher cancellations: Reflects statutory change requiring 100 percent reimbursement to institutions for cancellations granted for teaching or military service on loans made after June 30, 1972.

3. Construction loan subsidies: The increase in obligations reflects the increased number of loans expected to reach payment status in fiscal year 1976. No appropriation is requested for 1976, however, since sufficient funds are available from prior year appropriations.

1/ Except for built-in increases noted above.

Decreases:

A. Program:

1. Student assistance: Although the budget calls for full funding of basic grants, an increase in student loan subsidies, and a doubling of the incentive grants for State scholarships, the total requested for student assistance is less than the 1975 appropriation. That decrease is accomplished as follows:

(a) No funds are requested for supplemental grants since a fully funded basic grants program is a more efficient way of aiding the neediest students.

(b) No funds are requested for new capital for the direct loan program. Primary reliance for loans will be on the guaranteed loan program. Furthermore, loan repayments will permit $164,000,000 in new direct loans. The request for work-study is $50,000,000 less than the 1975 appropriation, but the same as the 1975 request. The State Scholarship Incentive Grant program request is increased, in recognition of the effectiveness of the required matching provision in generating student assistance funds. The difference between budget authority and obligations for student assistance is due, primarily, to the basic grants program. In that program, about half of the funds are reserved until data on utilization permits estimating how much should go to each school to allow them to complete disbursements for the year.

2. Institutional assistance: The primary reason for the decreases, and for the difference between budget authority and obligations estimates, is that the 1975 base included obligation of $39,346,000 for undergraduate facilities grants. This amount is the unobligated balance of $43,000,000 which was reappropriated during fiscal year 1974. No new funds are requested. The decrease also reflects termination of support for university community services, State postsecondary commissions and aid to land grant colleges, as recommended in the 1975 rescission proposals. The "revised 1975" column includes only the permanent appropriation for land grant schools and only three quarters of the State agency operating funds for university community services and State postsecondary education commissions.

3. Personnel development. The decrease reflects reduction of the request for college teacher fellowships, the balance of which covers claims by veterans for the unused portions of their fellowships postponsed by military service; all other college teacher fellowships terminated in FY 1974. The apparent reduction in obligations for the training for disadvantaged program, which funds the Council on Legal Educational Opportunity (CLEO) program, reflects the carry-forward to 1975 of the 1974 appropriation and is not, therefore, a reduction of program level.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student assistance:				
(a) Grants and work-study:				
(1) Basic opportunity grants...........	$650,000,000	$650,000,000	$857,800,000	$+207,800,000
(2) Supplemental opportunity grants...........	242,385,298	242,385,298	---	-242,385,298
(3) Work-study........	300,200,000	300,200,000	250,000,000	-50,200,000
(b) Subsidized insured loans:				
(1) Interest on insured loans....	320,516,637	387,916,637	452,000,000	+64,083,363
(2) Reserve fund advances.........	750,000	750,000	750,000	---
(c) Direct loans:				
(1) Federal capital contributions....	321,000,000	321,000,000	---	-321,000,000
(2) Loans to institutions.....	2,000,000	2,000,000	---	-2,000,000
(3) Teacher cancellations....	6,440,000	6,440,000	8,960,000	+2,520,000
(d) Incentive grants for State scholarships...	22,068,024	22,068,024	44,000,000	+21,931,976
Subtotal, student assistance......	1,865,359,959	1932,759,959	1613,510,000	-319,249,959
Special programs for the disadvantaged............	70,331,000	70,331,000	70,331,000	---
Institutional assistance:				
(a) Strengthening developing institutions...	110,000,000	110,000,000	110,000,000	---
(b) Construction:				
(1) Subsidized loans..	60,196,000	60,196,000	23,000,000	-37,196,000
(c) Language training and area studies:				
(1) NDEA VI program...	11,300,000	8,640,000	8,640,000	---
(2) Fulbright-Hays fellowships......	2,700,000	1,360,000	1,360,000	---
(d) University community services.............	14,250,000	900,000	---	-900,000
(e) Aid to land-grant colleges:				
(1) Annual appropriation.........	9,500,000	---	---	---
(2) Permanent appropriation (Second Morril Act.............	2,700,000	2,700,000	---	-2,700,000
(f) State postsecondary education commissions..........	3,000,000	800,000	---	-800,000
(g) Veterans' cost of instruction..........	23,750,000	---	---	---
(h) Cooperative education.	10,750,000	10,750,000	8,000,000	-2,750,000
Subtotal, institutional assistance	$248,146,000	$195,346,000	$151,000,000	$-44,346,000

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development:				
(a) College teacher fellowships........	$4,000,000	$4,000,000	$1,000,000	$-3,000,000
(b) Fellowships for disadvantaged......	1,500,000	1,500,000	750,000	-750,000
(c) Ellender fellowships........	500,000	500,000	500,000	---
(d) Public service fellowships........	4,000,000	---	---	---
(e) Mining fellowships.......	1,500,000	---	---	---
Subtotal, Personal development....	11,500,000	6,000,000	2,250,000	-3,750,000
Ethnic Heritage	1,800,000	---	---	---
Total obligations	2,197,136,959	2,204,436,959	1,837,091,000	-367,345,959

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Printing and reproduction	$2,600,000	$2,600,000	$2,900,000	$+300,000
Other services	6,590,000	6,590,000	8,600,000	+2,010,000
Investments and loans	323,750,000	323,750,000	750,000	-323,000,000
Grants, subsidies, and contributions	1,861,196,959	1,868,496,959	1,821,841,000	-46,655,959
Insurance claims and indemnities	3,000,000	3,000,000	3,000,000	---
Total obligations by object	2,197,136,959	2,204,436,959	1,837,091,000	-367,345,959

Significant Items in House and Senate Appropriation Committee Reports

ITEM	ACTION TAKEN OR TO BE TAKEN
1975 SENATE REPORT	
BASIC GRANTS PROGRAM	
1. Committee recommendation that steps be taken to remedy problem of applicants submitting erroneous financial need data (page 79).	1. The Office of Education has, first, instructed institutions to require student applicants and recipients to provide satisfactory explanation of detected discrepancies in financial need statements and, upon failure to comply, to report such refusal to the Office of Education. Second, a request for proposals is being issued for a contract evaluation of the reliability of applicant financial need data.
2. Committee recommendation that the administration of student aid programs be streamlined so as to simplify the process of acquiring financial assistance(page 79).	2. The Office of Education is working to develop a single uniform application form for all student aid programs, to establish a single national needs analysis procedure and to improve overall management of the system including distribution, collection, and review of applications, and notification of grantees.
STRENGTHENING DEVELOPING INSTITUTIONS	
1. Committee recommendation that a better plan for a more effective use of funds and their equitable distribution among minority groups be included in future budgets.	The Office of Education expects that more institutions with large Indian and Spanish speaking enrollments will be awarded grants now that the 5-year requirement for such institutions has been waived by the Education Amendments of 1972 and 1974.

Authorizing Legislation

	1976	
Legislation	Authorized	Apprioriation requested
Higher Education Act:		
Title I — Community services and continuing education (university community services)	$50,000,000[1]	---
Sec. 110 Special programs relating to problems of the elderly	Indefinite	---
Title III — Strengthening developing institutions	120,000,000[1]	110,000,000
Title IV — Student assistance:		
Part A-1 — Basic opportunity grants	Indefinite[1]	1,050,000,000
Part A-2 — Supplemental educational opportunity grants: Initial year awards	200,000,000[2]	---
Part A-3 — State student incentives Initial year awards	50,000,000[2]	44,000,000
Part A-4 — Special programs for students from disadvantaged backgrounds	100,000,000[1]	70,331,000
Part A-5 — Sec. 419 Payments to institutions of higher education	1,000,000,000[1]	---
— Sec. 420 Veterans' cost-of-instruction payments to institutions of higher education	Indefinite[1]	---
Part B — Subsidized insured loans Interest benefits and special allowance[2]	Indefinite[1]	270,000,000
— Direct loans under the insured loan program (Sec. 433)	1,000,000	---
Part C — Sec. 441 Work-study program	420,000,000[1]	250,000,000
— Sec. 447 Work-study for community services learning program	50,000,000	---
Part D — Cooperative education program: Planning, establishing, expanding, and carrying out (451(a))	10,000,000[1]	8,000,000
— Training, demonstration, or research (451(b))	750,000[1]	---
Part E — National direct student loans:		
Capital contribution	400,000,000[1]	---
Cancellation of loans for certain public service	Indefinite	8,960,000
Title VII — Construction of academic facilities:		
Part A — Grants for construction of undergraduate facilities	300,000,000[1]	---
Part B — Grants for construction of graduate academic facilities	80,000,000	---
Part C — Sec. 745 Annual interest grants	79,250,000[2]	---
Part D — Assistance in major disaster areas	Indefinite	---
Title VIII — Networks for knowledge	15,000,000	---
Title IX — Graduate programs:		
Part A — Grants to institutions of higher education	50,000,000	---
Part B — Graduate fellowships for careers in postsecondary education	Indefinite[3]	1,000,000
Part C — Public service fellowships	Indefinite[4]	---

	1976	
	Authorized	Appropriation requested
Part D — Fellowships for other purposes:		
Sec. 961(a)(1) Mining and mineral and mineral fuel conservation	Indefinite 5/	---
Sec. 961(a)(2) Disadvantaged	1,000,000 6/	---
Sec. 966(a) Assistance for training in the legal profession	Indefinite	750,000
Part E — General assistance for graduate schools covered under Title IV-A-5 (Sec. 419) above	1/	---
Title XI — Law school clinical experience program	7,500,000	---
Title XII — General provisions, Sec. 1202, (c)(2)(A) State postsecondary commissions	Indefinite	---
Sec. 1203 Comprehensive statewide planning	Indefinite 1/	---
Emergency Insured Student Loan Act:		
Special allowance for lenders on insured student loans	Indefinite	182,000,000
National Defense Education Act:		
Title II, Sec. 207 Loans to institutions	Indefinite 7/	---
Title VI — Language training and area studies—Centers, fellowships, and research	75,000,000 1/	8,640,000
Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays)	Indefinite	1,360,000
Public Law 92-506		
Allen J. Ellender Fellowships	500,000 1/	500,000
Elementary and Secondary Education Act		
Title IX — Ethnic Heritage	15,000,000	---
Bankhead-Jones Act — Aid to land-grant colleges, annual appropriation	12,460,000	---
Second Morrill Act — Aid to land-grant colleges, permanent appropriation	2,700,000	---

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1/ Based on a 1-year extension authority under the General Education Provisions Act, Sec. 414(a).

2/ Based on a 1-year extension authority under the General Education Provisions Act, Sec. 414(a). Also includes an indefinite authorization for continuation awards.

3/ Such sums as necessary to fund 7,500 new fellowships plus continuations.

4/ Such sums as are necessary for 500 fellowships.

5/ Such sums as may be necessary for 500 new fellowships and continuiations. This limitation applies to Part D in the aggregate.

6/ Based on a 1-year extension authority under the General Education Provisions Act, Sec. 414(a). Included in the limitation of 500 fellowhips for Part D and, in addition, has a specific limit of $1,000,000.

7/ Such sums as may be necessary, but not to exceed $25,000,000.

Higher Education

		Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966		$ 977,908,000	$ 902,108,000	$ 912,108,000	$ 971,231,000
1967		1,073,494,000	1,164,307,000	1,151,507,000	1,156,307,000
1968		1,153,650,000	1,132,150,000	1,132,150,000	929,255,000
1969		823,020,000	6,920,000	786,852,000	778,520,000
1970		798,284,000	867,633,000	1,009,074,000	831,734,000
1971		837,725,000	880,180,000	1,014,970,000	941,180,000
1972		1,892,754,000	1,193,344,000	1,782,174,000	1,409,354,000
1973		1,618,572,000	1,098,502,000	1,752,432,000	1,682,972,000
1973	Proposed Rescission	-44,300,000	---	---	---
1974		1,747,914,000	1,808,914,000	2,030,914,000	1,862,872,000
1975		2,110,023,000	2,145,271,000	2,119,391,000	2,133,071,000
	Proposed Supplemental	67,400,000			
	Rescission Proposed	-58,300,000			
1976		2,005,541,000			

NOTE: All figures are comparable with the 1976 estimate. For fiscal year 1973, the Budget Estimate combines the first 1973 supplemental request of $499,070,000 and the proposed Budget Amendment of $1,119,502,000. The January budget submission for fiscal year 1973 has not been used since it was superseded by the proposed Amendments and Rescissions. Since it did not consider the first supplemental request, the House allowance represents House action only on the urgent supplemental (P.L. 93-25) and the proposed Amendments. The Senate allowance combines Senate action on all three supplementals. The Senate allowance for strengthening developing institutions on the first supplemental has been adjusted since it would duplicate an allowance for the same program on a subsequent appropriation bill.

The 1974 appropriation shown reflects the 5 percent reduction and a $250,000 supplemental appropriation. Figures for earlier years include appropriate amounts requested and appropriated under "Higher Education Facilities Construction," "Further Endowment of Colleges of Agriculture and the Mechanic Arts," and "Education in Foreign Language and World Affairs."

For comparability, the 1974 and 1975 lines include the following amounts for Ethnic Heritage: 1974 Senate Allowance $5,000,000, Appropriation $2,375,000; and 1975 Senate Allowance and Appropriation $1,800,000. The figures exclude the permanent appropriation for land-grant schools (Second Morrill Act).

Justification

Higher Education

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
1. Student assistance:				
(a) Grants and work-study:				
(1) Basic opportunity grants (HEA IV-A-1)...	$ 650,000,000	$ 650,000,000	$ 857,000,000	$+207,000,000
(NOA)....	(660,000,000)	(660,000,000)	(1,050,000,000)	(+390,000,000)
(2) Supplemental opportunity grants (HEA IV-A-2)...	242,385,298	242,385,298	---	-242,385,298
(NOA)....	(240,300,000)	(240,300,000)	(---)	(-240,300,000)
(3) Work-study (HEA IV-B)	300,200,000	300,200,000	250,000,000	-50,200,000
(b) Subsidized insured loans:				
(1) Interest subsidies (HEA IV-B)	320,516,637	387,916,637	452,000,000	+64,083,363
(NOA)....	(315,000,000)	(382,400,000)	(452,000,000)	(+69,600,000)
(2) Reserve fund advances..	750,000	750,000	750,000	---
(NOA)....	(---)	(---)	(---)	(---)
(c) Direct loans (HEA IV-E):				
(1) Federal capital contributions	321,000,000	321,000,000	---	-321,000,000
(2) Loans to institutions	2,000,000	2,000,000	---	-2,000,000
(3) Teacher cancellations	6,440,000	6,440,000	8,960,000	+2,520,000
(d) Incentive grants for State scholarships (HEA IV-A-3).......	22,068,024	22,068,024	44,000,000	+21,931,976
(NOA)........	(20,000,000)	(20,000,000)	(44,000,000)	(+24,000,000)
Subtotal, Student assistance.........	1,865,359,959	1,932,759,959	1,613,510,000	-319,249,759
(Subtotal, NOA)........	(1,864,940,000)	(1,932,340,000)	(1,804,960,000)	(-127,380,000)
2. Special programs for the disadvantaged - Special services in college, Upward bound, and Educational opportunity centers, (HEA IV-A-4)......	70,331,000	70,331,000	70,331,000	---

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Institutional assistance:				
(a) Strengthening developing institutions (HEA III):				
(1) Basic program..	$ 52,000,000	$ 52,000,000	$ 52,000,000	$ ---
(2) Advanced program..	58,000,000	58,000,000	58,000,000	---
(b) Construction:				
(1) Subsidized loans (HEA VII-C), Sec. 745.	20,000,000	20,000,000	23,000,000	+3,000,000
(NOA)...	(---)	(---)	(---)	(---)
(2) Undergraduate facilities grants (HEA VII-A)...	39,946,000	39,946,000	---	-39,946,000
(NOA)...	(---)	(---)	(---)	(---)
(3) Continuing education centers (HEA 705(a)(2)(c))..	250,000	250,000	---	-250,000
(NOA)...	(---)	(---)	(---)	(---)
(c) Language training and area studies:				
(1) Centers, fellowships, and research (NDEA VI).	11,300,000	8,640,000	8,640,000	---
(2) Fulbright-Hays fellowships (Fulbright-Hays Act).	2,700,000	1,360,000	1,360,000	---
(d) University community services (HEA I)..	14,250,000	900,000	---	-900,000
(e) Aid to land-grant colleges:				
(1) Annual appropriation (Bankhead-Jones Act)	9,500,000	---	---	---
(2) Permanent appropriation (Second Morrill Act)	2,700,000	2,700,000	---	-2,700,000
(f) State post-secondary education commission (GEPA Sec. 421 and HEA Sec. 1203).........	3,000,000	800,000	---	-800,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Institutional assistance - continued:				
(g) Veterans cost of instruction (HEA IV-A-5, Sec. 420).......	$ 23,750,000	$ ---	$ ---	$ ---
(h) Cooperative education (HEA IV-D).	10,750,000	10,750,000	8,000,000	-2,750,000
Subtotal, Institutional assistance	248,146,000	195,346,000	151,000,000	-44,346,000
(Subtotal, NOA).....	(187,950,000)	(135,150,000)	(128,000,000)	(-7,150,000)
4. Personnel Development:				
(a) College teacher fellowships (HEA IX-B).	4,000,000	4,000,000	1,000,000	-3,000,000
(b) Training for disadvantaged (Council on Legal Educational Opportunity) (HEA IX-D, Sec. 966(d))....	1,500,000	1,500,000	750,000	-750,000
(NOA).....	(750,000)	(750,000)	(750,000)	(---)
(c) Ellender fellowships (P.L. 92-506)	500,000	500,000	500,000	---
(d) Public service fellowships (HEA IX-C)..	4,000,000	---	---	---
(e) Mining and mineral conservation fellowships (HEA IX-D, Sec. 961(a)(1))........	1,500,000	---	---	---
Subtotal, Personnel development	11,500,000	6,000,000	2,250,000	-3,750,000
(Subtotal, NOA)......	(10,750,000)	(5,250,000)	(2,250,000)	(-3,000,000)
5. Ethnic heritage (ESEA IX).......	1,800,000	---	---	---
Total...........	2,197,136,959	2,204,436,959	1,837,091,000	-367,345,959
(Total, NOA)....	(2,135,771,000)	(2,143,071,000)	(2,005,541,000)	(-137,530,000)

NOTE: NOA appears only where different from obligations.

General Statement

Consistent with the overall objectives of equalizing educational opportunity, the $2,005,541,000 requested for Higher Education is intended to help those who most need such help to obtain a postsecondary education. Of the total for higher education, 90 percent is for student financial aid, 3.5 percent is for special programs for disadvantaged, and 5.5 percent is for developing institutions which have high percentages of disadvantaged students. Together, these programs account for 99 percent of the request. The request is $137,530,000 less than the revised 1975 level, but it would provide full funding for basic educational opportunity grants for the first time in the 1976-77 school year; that is, full entitlement grants for four classes of students, both full-time and those carrying at least half of a full-time load. The $1,050,000,000 for basic grants would be supplemented by more than $1,650,000,000 in subsidized, guaranteed loans, as well as by work-study, and incentive grants for State scholarships. The request for student aid is $127,380,000 less than the 1975 appropriation, because no funds are requested for supplemental grants or for new direct loan capital.

To encourage students to complete their secondary education, to enroll in postsecondary courses, and to complete those courses, the budget request includes $70,331,000 for special programs for disadvantaged. This activity, which complements financial aid to students, includes talent search, upward bound, special services for disadvantaged, and educational opportunity centers.

In addition to developing institutions, mentioned above, the budget request includes two other institutional assistance programs and it includes three small personnel development programs which will be described in the justification for those activities.

The budget includes a proposed 1975 supplemental appropriation of $67,400,000 for student loan subsidies and a request that $38,300,000 of the 1975 appropriation be rescinded.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student Assistance:				
(a) Grants and work-study:				
(1) Basic opportunity grants..........	$650,000,000	$650,000,000	$857,800,000	$+207,800,000
(NOA).........	(660,000,000)	(660,000,000)	(1,050,000,000)	(+390,000,000)
(2) Supplemental opportunity grants	242,385,298	242,385,298	---	-242,385,298
(NOA).........	(240,300,000)	(240,300,000)	(---)	(-240,300,000)
(3) Work-study.......	300,200,000	300,200,000	250,000,000	-50,200,000
(b) Subsidized insured loans:				
(1) Interest on insured loans....	320,516,637	387,916,637	452,000,000	+64,083,363
(NOA).........	(315,000,000)	(382,400,000)	(452,000,000)	(+69,600,000)
(2) Reserve fund advances........	750,000	750,000	750,000	---
(NOA).........	(---)	(---)	(---)	(---)
(c) Direct loans:				
(1) Federal capital contributions..	321,000,000	321,000,000	---	-321,000,000
(2) Loans to institutions.........	2,000,000	2,000,000	---	-2,000,000
(3) Teacher cancellations.........	6,440,000	6,440,000	8,960,000	+2,520,000
(d) Incentive grants for state scholarships	22,068,024	22,068,024	44,000,000	+21,931,976
(NOA).........	(20,000,000)	(20,000,000)	(44,000,000)	(+24,000,000)
Total.........	1,865,359,959	1,932,759,959	1,613,510,000	-319,249,959
(NOA).........	(1,864,940,000)	(1,932,340,000)	(1,804,960,000)	(-127,380,000)

Narrative

Nearly 90% of the 1976 budget request for Higher Education relates to student assistance, with the bulk of the funds going to the basic opportunity grant program. The amount requested will permit full funding for this program which will entitle eligible students to grants of $1,400 less the amount their families are expected to contribute, but not to exceed one-half the cost of attendance. The remaining half of the student's cost of education will be met by funds provided by the insured loan program, the college work-study program, State scholarships, institutional, private or personal funds. The appropriation request for Student Assistance concentrates funds in the basic opportunity grant and insured loan programs which provide aid directly to students and is thus designed to allow them to choose to attend institutions on the basis of their academic interests and career needs rather than on an institution's ability to provide them with financial aid. The $44,000,000 requested for State scholarship incentives is more than double the 1975 appropriation.

As in the 1974 and 1975 requests, special language is proposed to waive the requirements that supplemental grants and direct loan capital be funded before basic grants may be paid. The budget request assumes that putting the money into basic grants, rather than supplemental grants or direct loans is a more effective way of helping students who need it the most. Furthermore, the direct loan capital in institutional revolving funds is expected to be about $2,800,000,000 in 1976-77. It is estimated that the net of repayments, institutional expenses, and other transactions will make $ 164,000,000 available for new direct loans.

The budget request assumes that 1,323,600 students will receive basic grants in 1976-77. While the 1976-77 effect of guaranteed student loans relates to the 1977 appropriation, it is likely that at least 1,100,000 students will receive such loans. In addition, 520,000 will have work study jobs, 328,000 will receive direct loans (funded by loan repayments), and 176,000 will recieve State scholarships in which States match Federal funds dollar for dollar. While too little is known about overlap of these programs to allow an unduplicated count of students to be calculated, it seems likely that the range is 2.0 to 2.5 million.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student assistance:				
(a) Grants and work study:				
(1) Basic educational opportunity grants				
New awards..........	$660,000,000	$660,000,000	$1,053,000,000	+ $390.000.000
Number of students assisted...	1,107,600	1,107,600	1,323,600	+ 216,000
(Obligations)....	(650,000,000)	(650,000,000)	(857,800,000	+ (270,800,000)

Narrative

Program Purpose

To help qualified students finance their postsecondary education, Title IV subpart A-1 of the amended Higher Education Act provides grants to students at collegiate, postsecondary vocational, technical trade and proprietary institutions who are carrying at least half of a normal full-time load. Student eligibility is based primarily on need as determined by a formula which is developed by the Office of Education and approved by Congress annually. Once approved, the formula is applied to all applicants for the entire academic year. Since the formula is reviewed and approved on an annual basis, students must apply every year. The amount of each student's grant is based on need and the cost of attendance at the school in which the student enrolls. At full funding grants range from $200 to $1400. At less than full funding awards are reduced in accordance with a schedule included in the authorizing legislation.

Eligible students may receive Basic Grant awards for up to four academic years except under certain circumstances this duration of eligibility may be extended to five years. The program is forward funded; that is, the fiscal year 1976 appropriation is for academic year 1976-77.

Plans for fiscal year 1976

For 1976, $1,050,000,000 is requested for full funding for this program; that is, full entitlement grants for all four classes, and for students carrying at least half of a full-time load as well as for full-time students, as authorized by the basic law. This would be the first time that the program has been fully funded. It is estimated that 1,323,600 students would receive grants averaging $785 and ranging from $200 to $1,400 during the 1976-77 academic year. It should be recognized that the several elements entering into an estimate of full funding cannot be determined precisely in advance. Those elements include the following: (a) the family contribution schedules, (b) the number of potential eligibles who actually apply, and (c) the mix of attendance costs.

Special language is proposed to waive the provision of the law that requires appropriation of specified amounts for supplemental grants and for direct loans as a pre-condition to paying basic opportunity grants.

Of the $1,050,000,000 total, $11,500,000 is earmarked for administrative contracts. The main items are for printing and processing applications and for the fund distribution system. Important but smaller contracts include those for gathering and processing data, and for training student financial aid officers.

A provision will be proposed to the Congress which, within limits, would permit adjustments of funds between fiscal years. This provision would assure that students would receive the level of grants specified in the payment schedule if in a certain fiscal year funds are not sufficient to make this level of awards. If this situation should occur, the deficit could be paid from the subsequent fiscal year's appropriation. Similarly, if there are any unobligated funds in one fiscal year, these funds can be added to the subsequent fiscal year's appropriation. Pending revision of the authorizing legislation, special appropriation language is requested in 1976 to accomplish the same purpose.

Accomplishments in fiscal years 1974 and 1975

The 1975 appropriation of $660,000,000 will provide $648,500,000 for basic grants averaging $586 to 1,107,600 students during academic year 1975-76. Participation in the program is restricted to students who began or will begin their postsecondary education after April 1, 1973 and who will be enrolled on at least a half-time basis. The remaining $11,500,000 is available for contractual administrative expenses related to the operation of the Basic Grant Program.

In fiscal year 1974, the appropriation of $475,000,000 plus an estimated $60,000,000 carryover of 1973 funds is expected to provide grants averaging $776 to 689,000 students in academic year 1974-75. These awards will range from $100 to $1050, depending on the student's expected family contribution and the cost of education. The Second Supplemental Appropriation Act of 1974 (P.L. 93-305) authorized the carry forward to academic year 1974-75 of the 1973 funds not needed to meet the 1973-74 payment schedule, so that they could be applied to the 1974-75 payment schedule. Participation in the program is restricted to full-time students who enrolled in postsecondary education after April 1, 1973. Administrative contracts, during 1974, can be financed by funds brought forward from 1973, leaving the full $475,000,000 available for program grants.

SUPPLEMENTAL FACT SHEET

Basic Educational Opportunity Grants

Legislative requirements

The law limits payments, specifies how grants are to be adjusted to appropriation at less than full funding, and requires that the Commissioner submit a schedule of expected family contribution to Congress.

A. Statutory formula for grant size: When the family contribution schedule is accepted, and interpreted for a student, a grant size is determined by application of a statutory formula in the authorizing legislation:

(1) At full funding: the program provides a grant of $1,400 less expected family contribution, but not to exceed one-half of the cost of attendance.

(2) At less than full funding: grants are to be adjusted to available funds by the following formula:

(a) If $1,400 minus expected parental contribution is:

more than $1,000	pay 75% of the entitlement amount
$801 to $1,000,	pay 70% of the entitlement amount
$601 to $800,	pay 65% of the entitlement amount
-0- to $600,	pay 50% of the entitlement amount

No grant, however, shall be more than one-half of the "need" (cost minus parental contribution), unless available funds are 75 percent (but less than 100%) of the amount needed for full funding, in which case no grant shall be more than 60 percent of "need".

(b) The authorizing legislation provides that if available funds exceed the amount needed to pay grants computed by the above reduction formula, the excess will be paid in proportion to the difference between the amount found by the above formula and the amount that would have been paid at full funding

(c) If available funds are less than needed to pay grants computed by the reduction formula, then grants are prorated down to the amount available.

(d) At full funding, no grants at less than $200 will be paid; at less than full funding, the minimum grant is $50.

B. Family Contribution Schedule: The law requires the Commissioner to submit to Congress, by the first of February, a schedule indicating amounts families in given financial circumstances will be expected to contribute toward the student's educational expenses. Congress is to react by the first of May, and, if Congress disapproves the schedule, the Commissioner must resubmit a schedule within 15 days. The family contribution schedule, together with rules governing allowable costs, are important determinants of the number of participants and size of an individual's grant.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student assistance:				
(a) Grant and work-study:				
(2) Supplemental educational opportunity grants				
Initial year grants 1/..	$124,940,000	$124,940,000	---	$-124,940,000
Continuing year grants..	115,360,000	115,360,000	---	-115,360,000
Total...............	240,300,000	240,300,000	---	-240,300,000
(Obligations)	(242,385,298)	(242,385,298)	( )	(-242,385,298)

1/ These are first year awards for the students, not for recipient institutions.

Narrative

Program Purpose

To help make available the benefits of postsecondary education to qualified students of exceptional financial need, Part 2, Subpart A of Title IV of the Higher Education Act authorizes a program of supplemental educational opportunity grants to be provided through institutions of higher education.

The program is forward funded, that is, the appropriation for a given fiscal year is obligated to the institutions during that fiscal year to enable them to make payments to students during the following fiscal year. The amount paid to students under this program may not exceed one half of the total amount of financial aid made available to them by the institution. Students may receive up to $1,500 a year provided their need is at least twice that amount and that the institution has given them other financial aid at least equal to their Supplemental Grant.

Allotments to States for initial year awards are based on the number of full-time higher education students in a State compared with the total of such enrollment in the U.S. Allocations to institutions within a State are made on the basis of approved institutional applications. The approved requests are prorated down to remain within the allotment to the State by formula. Continuation awards are distributed according to need.

Plans for fiscal year 1976

No funds are requested for supplemental grants in 1976. Basic grants are seen as a more efficient way to aid the neediest students.

Accomplishments in fiscal years 1974 and 1975

The 1975 appropriation of $240,300,000 will be obligated to approximately 3,460 institutions during fiscal year 1975 to enable them to make Supplemental Grants to an anticipated 347,000 students in academic year 1975-76.

The 1974 appropriation of $210,300,000 was used to provide funds to 3,250 institutions to make it possible for them to provide Supplemental Grants to an anticipated 304,000 students in academic year 1974-1975.

SUPPLEMENTAL FACT SHEET

Supplemental Educational Opportunity Grants

Supplemental Educational Opportunity Grants	Academic Year 1974-75		Academic Year 1975-76		Academic Year 1976-77	
	Students	Amount	Students	Amount	Students	Amount
Initial-year grants........	160,000	$97,087,000	198,000	$121,301,000	---	---
Administrative expenses....	---	2,913,000	---	3,639,000	---	---
Continuation grants........	144,000	107,087,000	149,000	112,000,000	---	---
Administrative expenses....	---	3,213,000	---	3,360,000	---	---
Total program......	304,000	210,300,000	347,000	240,300,000	---	---
Average grant						
(Initial year average)	($607)		($613)		---	
(Continuation average)	($744)		($752)		---	

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student assistance:				
(a) Grants and work-study:				
(3) Work-study.......	$300,200,000	$300,200,000	$250,000,000	$-50,200,000
Number of students aided..............	624,000	624,000	520,000	-104,000

Narrative

Program purpose

To help students earn a part of the cost of their postsecondary education, Title IV-C of the Higher Education Act authorizes grants to institutions for partial reimbursement of wages paid to students working part-time on or off campus in public or nonprofit organizations. Federal funds pay 80 percent of the students' wages. The remainder is paid by the institution, employer, or some other donor.

Funds are awarded and administered under an agreement between the Commissioner of Education and each eligible institution of higher education, proprietary institution of higher education, or area vocational school. The institution applies for funds it expects to require for its students who are in need of earnings to pursue their course of study. The applications are reviewed by a Regional Panel composed of practicing financial aid officers and Federal financial aid staff members. Allotments are distributed among the States, territories and the District of Columbia in accordance with statutory formulae. These funds in turn are distributed among the institutions within a State by formula based on the Regional Panel's recommendation. This program is forward-funded.

Plans for fiscal year 1976

Work study continues to be seen as an integral component of a balanced student aid package. While the primary emphasis is placed on basic grants and guaranteed student loans as the most effective means of equalizing educational opportunity, it is recognized that a comprehensive aid program requires a work-study component.

The 1976 request of $250,000,000 would provide 520,000 needy postsecondary students with jobs during academic year 1976-77, paying an average wage of $580.

Accomplishments for fiscal year 1974 and 1975

The appropriation for fiscal year 1975 was $300,200,000, from which grants will be awarded to a projected 3,250 institutions to provide employment during academic year 1975-76 for approximately 624,000 students earning average wages of $580. The 1974 appropriation of $270,200,000 was obligated to 3,154 institutions to pay the Federal share of wages for 560,000 students employed during academic year 1974-75.

SUPPLEMENTAL FACE SHEET

College Work-Study

	Academic Year 1974-75 Estimate	Academic Year 1975-76 Estimate	Academic Year 1976-77 Estimate
Gross compensation....................	$325,540,000	$361,690,000	$301,205,000
Federal share of compensation........	260,430,000	289,350,000	240,964,000
Administrative expenses paid to institutions.......................	9,770,000	10,850,000	9,036,000
Total Federal funds..................	$270,200,000	$300,200,000	$250,000,000
Number of students...................	560,000	624,000	520,000
Annual average earnings..............	$580	$580	$580[1]

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[1] No increase in average is estimated, despite cost of education increases, because an increasing share of student costs will be borne by the basic grants program, and because student financial aid officers are expected to make the funds help as many students as possible.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student Assistance:				
Subsidized insured loans:				
Interest.............	$225,000,000[1]	$229,400,000[1]	$267,000,000	+ $37,600,000
Special Allowance....	87,000.000	150,000,000	182,000,000	+ 32,000,000
Death and Disability.	3,000,000	3,000,000	3,000,000	-------
Total.......	315,000,000[1]	382,400,000[1]	452,000,000	+ 69,600,000
Number of New Loans	(979,000)	(1,000,000)	(1,100,000)	(+100,000)
(Obligations)	($320,516,637)	($387,916,637)	($452,000,000)	(+$64,083,363)

[1] Plus carryover balance of $5,516,637.

Narrative

Purpose:

To help students finance educational costs at eligible postsecondary institutions, Title IV-B of the Higher Education Act of 1965, as amended, authorizes a program of guaranteed and subsidized loans. The guaranteed student loan program enables students to borrow from private lenders to help pay for the cost of education and training at over 8,700 eligible universities, colleges, and vocational schools. Loans are either guaranteed by State or private nonprofit agencies or insured by the Federal Government. Guaranteed loans are made to eligible students primarily by 19,000 commercial lenders. Currently 172 educational institutions and a few State agencies also make loans. A maximun of $2,500 per academic year may be applied for in most States if the educational costs require borrowing to this extent. Total loans outstanding may not exceed $7,500 for undergraduate or vocational students. This aggregate maximum may be extended to $10,00C for students who borrow for graduate study. The Federal government pays interest on behalf of eligible students while they are in school, during a maximum 12-month grace period, following graduation or withdrawal from school and authorized periods of deferment.

On April 18, 1974, the law was liberalized to provide that any student whose adjusted family income is less than $15,000 is automatically eligible for up to a 7 percent subsidy on loans totalling up to $2,000 in any academic year. Such students who wish a subsidized loan in excess of $2,000 or students, having adjusted family incomes of $15,000 or greater and applying for a subsidized loan of any amount, must submit to the lender the school's recommendation for a subsidized loan based upon the school's assessment of the family's ability to pay for the cost of education.

A special allowance is authorized to be paid to lenders when the Secretary of Health, Education, and Welfare, in consultation with the Secretary of the Treasury, and the Director of the Office of Management and Budget, determines that economic conditions are impeding or threatening to impede the fulfillment of the purposes of the program or that the return to the lender is less than equitable. The rate may not exceed three percent per annum on the average quarterly unpaid principal balance of loans made after August 1, 1969, whether or not the loan qualifies for Federal interest benefits.

In the case of the borrower's death or total and permanent disability, the Federal government pays the outstanding principal and interest on loans made after December 15, 1968. Claims for defaulted loans are paid from the Student Loan Insurance Fund and, therefore, are not included in the amounts shown above.

Plans for Fiscal Year 1976:

An additional $69.6 million is requested for fiscal year 1976. Of this increase, $37.6 million is for payment of the 7 percent interest subsidy on loans made in prior years plus an increase in new loans from 905,000 in fiscal year 1975 to an estimated 995,000 in fiscal year 1976. Of the $267 million interest subsidies total for fiscal year 1976 (See Supplemental Fact Sheet), $52 million is for subsidies on the 995,000 new loans totaling $1.5 billion, and $215 million is for continuing subsidy payments on $3.6 billion in prior year loans for students who are still in school or on authorized deferral status and eligible for continuing Federal subsidy payments.

Of the total increase for fiscal year 1976, $32 million is for special allowance which is paid to lenders, depending on money market conditions, to encourage participation in the program. The total requested $182 million for this program in fiscal year 1976 will permit continuation of the 3 percent maximum additional interest payment estimated for fiscal year 1975 on $6.1 billion in outstanding loans. The additional 3 percent allowance provides for an effective return to lenders of 10 percent. While funds are included for paying the maximum, this is only an estimate. The actual special allowance payment is determined quarterly by the Secretary of Health, Education and Welfare in consultation with the Secretary of the Treasury and the Director of the Office of Management and Budget.

Accomplishments for Fiscal Years 1974/1975:

Obligations covering interest payments increased from $222 million in fiscal year 1974 to $234.9 million in fiscal year 1975. This $12.9 increase resulted from an increase in new loans from $1.0 billion in fiscal year 1974 to $1.3 billion in fiscal year 1975 and continuing subsidy payments on $3.3 billion in prior year loans

Obligations for special allowance increased for $85 million in 1974 to $150 million in 1975. This increase of $65 million relates to an increase in the special allowance rate from 2.8 percent in 1974 to the maximum 3 percent in 1975, and to an increase in loans outstanding from $4.7 billion in 1974 to $5.3 billion in 1975.

Through our Operational Planning System, objectives were set to increase on-site reviews of interest benefits and special allowance billings during period covered. The program is upgrading its computer information system resources in order to more accurately determine the verification of such billings.

SUPPLEMENTAL FACT SHEET
GUARANTEED STUDENT LOAN PROGRAM

Federally Insured Loan Program
and
Guarantee Agency Program

	Fiscal Year 1974		Fiscal Year 1975		Fiscal Year 1976	
	Number (000)	Amount (millions)	Number (000)	Amount (millions)	Number (000)	Amount (millions)
Loans Committed						
Start of Year	6,031	5,833	6,970	6,974	7,970	8,374
Current Year	939	1,141	1,000	1,400	1,100	1,650
End of Year	6,970	6,974	7,970	8,374	9,070	10,024
Loans Disbursed						
Start of Year	5,586	5,394	6,435	6,425	7,340	7,693
Current Year	849	1,031	905	1,268	995	1,492
End of Year	6,435	6,425	7,340	7,693	8,335	9,185
Cumulative Disbursed Loans Paid-In Full, Defaults and Writeoffs		1,715		2,373		3,085
Cumulative Disbursed Loans Outstanding		4,710		5,320		6,100
In Repayment		1,416		1,679		2,026
In School		3,294		3,641		4,074
Percent of Outstanding, Loans in School		70%		68%		67%
Yearly Disbursed Matured Loans		718		921		1,059
Cumulative Disbursed Matured Loans		3,131		4,052		5,111

Interest Benefits, Special Allowance & Death & Disability Payments

	Fiscal Year 1974	Fiscal Year 1975	Fiscal Year 1976
Appropriations	$310,000,000	$382,400,000	$452,000,000
Obligations	$310,000,000	$387,916,637	$452,000,000
Obligations by Type:			
Interest Benefits	$222,000,000	$234,916,637	$267,000,000
New Loans	(36,100,000)	(44,385,000)	(52,000,000)
Prior Year Loans	(185,900,000)	(190,531,637)	(215,000,000)
Special Allowance	85,000,000	150,000,000	182,000,000
Death and Disability	3,000,000	3,000,000	3,000,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Student assistance:				
(e) Direct loans:				
(1) Federal capital contributions	$321,000,000	$321,000,000	---	-$321,000,000
(2) Loans to institutions	2,000,000	2,000,000	---	-2,000,000
(3) Teacher cancellations	6,440,000	6,440,000	$8,960,000	+2,520,000

Narrative

Program Purpose

To provide long-term, low-interest loans to financially needy post-secondary students to enable them to pursue their courses of study at institutions of higher education, Part E of Title IV of the Higher Education Act authorizes a program of contributions to student loan funds at such eligible institutions. All or a portion of the loan to a student may be cancelled in consideration of subsequent service in certain kinds of teaching or subsequent military service in a combat zone. The program is forward funded. Capital contributions are distributed among States in accordance with a statutory formula. Within a State's allotment, awards to schools are based on recommendations of panels that review the institutions; requests. Under an agreement between the Commissioner of Education and the eligible institution, a revolving student loan fund is created at the institution, with 90 percent Federal Capital Contribution and 10 percent Institutional Capital Contribution. Loans bear 3 percent interest, beginning 9 months after the student ceases at least half-time attendance at an eligible institution.

Plans for fiscal year 1976

No new Federal capital contributions are requested for 1976. It is estimated that by the end of fiscal year 1976 the revolving funds at participating institutions will be about $2,800,000,000. If due diligence is exercised in loan collection, this amount of capital should provide an annual loan level of more than $200,000,000 within a few years. The net amount expected to be available from collections in fiscal year 1976 is $164,000,000. At an average student loan of $500, the estimated net available collections of $164,000,000 will provide loans to 328,000 students.

The purpose of a new Federal Capital Contribution to an institution is to establish or augment a revolving student loan fund. In academic year 1975-76 an estimated 3,100 institutions are expected to participate in making loans to students. Growth in the number of participants has occurred at a rate of approximately 200 per year since fiscal year 1971.

Primary reliance for access to loan support will continue to be placed on the Guaranteed Student Loan program. Approximately $1,600,000,000 in new loans is expected to be available under this program in 1976.

Since no funds are requested for capital contributions, none will be needed for loans to institutions to help schools meet matching requirements on such contributions.

The increase of $2,520,000 requested for teacher/military cancellations reflects the statutory change which provides for 100 percent reimbursement to institutions for cancellations granted on loans made after June 30, 1972. On earlier loans, the amount paid to the institutions for such cancellations is only the institutions' share of the cancelled loans (that is, approximately 11.5 percent). In future years the amount of payments made on account of teacher/military cancellations can be expected to increase as an increasingly larger percentage of the cancelled loans come to be those made after June 30, 1972.

Accomplishments for fiscal years 1974 and 1975

The 1975 appropriation of $321,000,000 for Federal capital contributions will be obligated during fiscal year 1975 to enable the institutions to draw funds for academic year 1975-76 for the purpose of establishing or augmenting their revolving student loan funds. Counting this new infusion of Federal capital, the institutional matching share, and the net funds available from collections, the total amount of funds available to the institutions for making loans to students during academic year 1975-76 is expected to be more than $506,000,000. At an average loan of $690 that dollar volume will provide assistance to 734,000 students. As indicated by the supplemental fact sheet, institutions are allowed to take 3% of the loan volume out of their revolving funds for administrative expenses.

The fiscal year 1974 appropriation of $286,000,000 for new Federal capital contributions plus the institutional matching share and the new funds available from collections, brings the total amount of funds available to the institution for lending in academic year 1974-75 to $462,958,000. This level of lending will provide loans averaging $690 to 671,000 students in 2,[illegible]00 institutions of higher education.

SUPPLEMENTAL FACT SHEET

Direct Loans

	Academic Year 4/ 1974-75	Academic Year 4/ 1975-76	Academic Year 4/ 1976-77
Federal capital contributions	$286,000,000	$321,000,000	---
Institutional capital contributions	32,847,000	36,867,000	---
New Collections 1/	160,000,000	165,000,000	170,000,000
Collections brought forward 1/	30,000,000	32,000,000	33,000,000
Subtotal	$508,847,000	$554,867,000	$203,000,000
Collections carried forward to following year 1/	-32,000,000	-33,000,000	-34,000,000
Administration (3% of loan volume)	-13,889,000	-15,200,000	-4,922,000
Total loans	$462,958,000	$506,667,000	$164,078,000
Number of loans (students)	671,000	734,000	328,000
Average loan	$690	$690	$500
Number of institutions	2,800	3,100	2,000
Loans to institutions 2/			
Amount	$2,000,000	$2,000,000	---
Number of institutions	88	100	---
Cancellations			
Total amounts	$60,000,000	$70,000,000	5/
Number of students	300,000	350,000	5/
Federal payments (for prior year) 3/	$6,4[illegible]0,000	$8,960,000	5/

1/ The net amount available from collections is further reduced by the 3 percent withdrawal for administrative expenses (shown).

2/ Loans to institutions are made from current-year appropriations after the amount of the new Federal capital contribution which the institution will receive is known.

3/ The appropriation for a given fiscal year is obligated during that fiscal year to make payments to institutions for cancellations reported on the fiscal-operations report submitted as of the end of the previous fiscal year.

4/ In each column the amount shown for Federal capital contribution is from the appropriation for the previous year, while the amounts shown for loans to institutions and for cancellations are from the appropriation for the current year as explained in the Narrative and in notes 2 and 3.

5/ Relates to the fiscal year 1977 budget.

Direct Loans

Breakdown of New vs Continuing Grants

	1975 Base	1976 Estimate	Increase or Decrease
National Direct Student Loans			
(1) Federal Capital Contributions			
(a) New starts: Dollars	$109,000,000	-0-	-0-
Institutions	300*	-0-	-0-
(b) Continuations: Dollars	$212,000,000	-0-	-0-
Institutions	2,800	-0-	-0-
(c) Total: Dollars	$321,000,000	-0-	-0-
Institutions	3,100	-0-	-0-
(2) Loans to Institutions			
(a) New starts: Dollars	$200,000	-0-	-0-
Institutions	20	-0-	-0-
(b) Continuations: Dollars	$1,800,000	-0-	-0-
Institutions	80	-0-	-0-
(c) Total: Dollars	$2,000,000	-0-	-0-
Institutions	100	-0-	-0-
(3) Teacher/military cancellations			
(a) New starts: Dollars	-0-	-0-	-0-
Institutions	-0-	-0-	-0-
(b) Continuations: Dollars	$6,440,000	$8,960,000	+$2,520,000
Institutions	1,800	1,900	+100
(c) Total: Dollars	$6,440,000	$8,960,000	+$2,520,000
Institutions	1,800	1,900	+100

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
1. Student assistance:				
(d) Incentive grants for State scholarships (HEA IV-A-3).........	$20,000,000	$20,000,000	$44,000,000	$24,000,000
New and continuation awards 1/	$20,000,000	$20,000,000*	$44,000,000**	$24,000,000
Number States and Territories..................	56	56	58	2
Estimated number student recipients..............	80,000	80,000*	176,000**	96,000

* Two classes of students
** Three classes of students

1/ Assumes a $500 average student award, of which half ($250) is from Federal program funds and the remainder from State funds. Continuation awards assume about 20% dropout after the first year and 10% in subsequent years.

Narrative

Program Purpose

The State Student Incentive Grant Program as authorized by Section 415 of Title IV-A-3 of the Higher Education Act, makes incentive grants to States to stimulate them to establish or expand scholarship assistance to undergraduate students with substantial financial need. Based on their higher education enrollments, States receive grants to be matched by funds from State resources for making initial and continuation awards to students. Each State designates an official State agency to administer the program.

All student grants must be made up of equal portions of Federal and State funds. To qualify for Federal incentive funds for initial awards, States must continue to spend in excess of a previously established base level of effort for student grants and must cover related administration costs. Award funds not matched by one State may be reallocated to other qualified States. Under a definition of "substantial financial need" annually approved by the Commissioner, States provide grants for students from a wide range of low- and middle-income families.

The scholarships, including the State share, average $500. The maximum is $1500.

Plans for fiscal year 1976

The $44,000,000 requested for fiscal year 1976 will enable States to provide initial and continuation awards (averaging $500 in matching Federal and State funds) to approximately 176,000 students in 56 participating States and Territories. Since States must match Federal funds dollar for dollar, the $44,000,000 will produce $88,000,000 in scholarships.

Accomplishments for fiscal years 1974 and 1975

Because the fiscal year 1975 appropriation of $20 million was a lump sum to cover both of the separate authorizations, for initial and continuation awards, States were granted flexibility in dividing their allotments between the two types of awards according to their particular circumstances. Out of the $20 million appropriation, an estimated $15 million will be devoted to continuation awards to approximately 80 percent of the students who received initial awards the previous year.

The remaining $5 million will cover initial awards for a second group of students in the 50 States and Territories participating in fiscal year 1974 and permit the start-up of new programs in the remaining States and Territories.

In fiscal year 1974, the program's first year of operation, incentive grants totalling $19,000,000 were awarded to 50 States and Territories to establish or expand eligible matching scholarship programs. These limited funds generated new scholarships by the States to approximately 76,000 students at an average of $500 (Federal plus State matching funds). Out of the 50 participating States and Territories, funds for this program provided incentive for 23 States to develop entirely new State scholarship programs and for 27 others to expand existing scholarship activities. To qualify for participation, each State and Territory designated a single State agency to administer its scholarship program, drawing upon expanded State resources to match Federal award dollars.

SUPPLEMENTAL FACT SHEET

State Student Incentive Grant Program

	Appropriations			
	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Number States and Territories Participating	54	54	56	2
Estimated Average Award	($500)	($500)	($500)	--
From Federal Funds	250	250	250	--
From State Funds	250	250	250	--
Estimated Number Students Receiving Initial and Continuation Awards 1/	80,000	80,000	176,000	96,000
New	20,000	20,000	109,000	
Continuation	60,000	60,000	67,000	
Federal Incentive Funds Available to States and Territories	$20,000,000	$20,000,000	$44,000,000	$24,000,000
New State Matching Funds Added	$20,000,000	$20,000,000	$44,000,000	$24,000,000
Total to Students	$40,000,000	$40,000,000	$88,000,000	$48,000,000

1/ Continuation awards assume about 20 percent dropout after the first year and about 10 percent in subsequent years.

	1975 Estimate	1976 Revised	1976 Estimate	Increase or Decrease
Special programs for the disadvantaged	$70,331,000	$70,331,000	$70,331,000	$ ---
(a) New awards	3,868,000	3,868,000	3,868,000	---
Number	52	52	52	---
(b) Non-competing renewal awards	55,396,000	55,396,000	55,396,000	---
Number	687	687	687	---
(c) Competing renewal awards	11,067,000	11,067,000	11,067,000	---
Number	140	140	140	---
Total number awards	879	879	879	---

Narrative

Program Purpose

To encourage and assist youths from low-income families who have potential to enter, continue, or resume programs of postsecondary education, Part A, Subpart 4 of Title IV of the Higher Education Act authorizes four programs: talent search, designed to identify qualified youths of financial or cultural need, including secondary school and college dropouts of demonstrated aptitude, and encourage them to enter or reenter postsecondary educational programs; upward bound, which provides skills and motivation for success in education beyond high school for students with inadequate secondary school preparation; special services for disadvantaged students which provides remedial and other special services for students with academic potential but who, by reason of deprived educational, cultural, or economic background, physical handicap, or, as a result of limited English-speaking ability, are in need of such services to assist them to initiate, continue or resume their postsecondary education; and educational opportunity centers, designed to serve areas with major concentrations of low-income populations by providing information and assistance to residents of a defined target area in applying to institutions of postsecondary education, in securing financial aid, and counseling, tutoring and guidance for such students once enrolled in postsecondary educational programs.

The first three programs are fully operational. The educational opportunity center program, initiated in fiscal year 1974, will support 12 pilot projects.

All four programs are funded through discretionary grants or contracts are awarded to institutions of higher education, combinations of such institutions, public and private agencies and organizations (including professional and scholarly associations), and in exceptional cases, to secondary schools and secondary vocational schools. The program is forward funded.

The educational opportunity center program calls for a 25 percent matching requirement. Special services for disadvantaged students projects which serve students of limited English-speaking ability must include provisions for special instruction in the English language for such students.

The program is forwarded funded, that is, funds appropriated for fiscal year 1975 will be utilized to provide services during the following academic year 1975-76.

Plans for fiscal year 1976

The $70,331,000 requested for fiscal year 1976 will serve approximately 302,657 students through 879 projects. Activities are designed to narrow the gap in educational attainment between the low-income and the population as a whole, and are designed to provide equalized educational opportunities for students from disadvantaged backgrounds.

Support for a limited number of national demonstration projects will enable the testing of new or experimental designs, that have a degree of replicability, that can be utilized by other educational programs concerned with the education of disadvantaged. For the past three years, the Hancock County upward bound project has demonstrated the feasibility of a parallel uward bound project within a rural county school system. Other projects include a special services project in the sciences at the graduate level at the University of California, Berkeley, a Spanish language program in the Humanities at Claremont College, an environmental-ecological project in Kentucky, and special projects designed for Indian participants in Florida, Nebraska, North and South Dakota. All models utilize a wide variety of approaches to determine the effective ways that may be utilized to improve educational opportunities for disadvantaged young people.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, the educational opportunity centers program was initiated. Twelve pilot centers were funded at $3 million from 182 proposals requesting more than $42 million in Federal funds. The centers will serve approximately 50,000 individuals. Grantees represent a diversity of eligible institutions or agencies: State agencies (1); local public or private agencies (2); formal consortia of postsecondary institutions (4); universities (2); community colleges (2); and technical-vocational schools (1). Fifty-nine postsecondary institutions are participating in the twelve Centers. During the initial year, the Centers will

In both fiscal years 1974 and 1975, the upward bound program will continue to emphasize a commitment to veterans who lack the educational background to take advantage of the postsecondary educational benefits of the GI bill. The special services for disadvantaged students program will extend program services to a newly authorized clientele, students of limited English-speaking ability.

SUPPLEMENTAL FACT SHEET

Special Programs for the Disadvantaged

A. Comparison of Education Attainment of Total Population (Aged 14-21) with Low Income Persons (Aged 14-21).[1]

Educational Attainment	Low Income (Aged 14-21)		Total Population (Aged 14-21)		Low Income as % of the total population
	no.	% of total	no.	% of total	
Less than 5 years	56,000	1.41	138,000	.44	.18
6-8 years	1,274,000	32.13	7,195,000	23.21	4.11
1-3 years High School	1,650,000	41.61	12,799,000	41.28	5.32
4 years High School	637,000	16.07	7,069,000	22.80	2.05
1 year or more College	348,000	8.78	3,805,000	12.27	1.12
Totals	3,965,000	100.00	31,006,000	(100%)	12.78

B. Comparison by income of dependent individuals between ages 18 to 24 years old.[2]

Family	Total Population	Percent of age group not enrolled, not high school graduate	Percent of age group in college
All income	12,854,000	13% (1,688,000)	37% (4,793,000)
$0 - 2,999	917,000	41% (380,000)	14% (132,000)
$3,000 - 4,999	1,133,000	28% (320,000)	20% (231,000)
$5,000 - 7,999	1,540,000	19% (285,000)	28% (425,000)
$7,500 - 9,999	1,505,000	12% (179,000)	32% (484,000)
$10,000 - 14,999	3,257,000	8% (259,000)	40% (1,312,000)
$15,000 - over	3,453,000	4% (136,000)	53% (1,829,000)
Not reported	1,049,000	12% (129,000)	36% (380,000)

[1] Characteristics of the Low Income Population, 1972, Series P-60, #91 (December 1973), Current Population Reports, Table 13.

[2] Social and Economic Characteristics of Students, Series P-20, #260 (February, 1974), Current Population Reports, Table 13. Statistical Abstract of the United States, 1973 reports the total population of this age group for both dependent and independent students at 26,004,000.

STATISTICAL PROJECTION FOR SPECIAL PROGRAMS FOR THE DISADVANTAGED
(1973 figures, except for Upward Bound, are based on summary project statistical reports.)

	ACTUAL 1973	ESTIMATE 1974	ESTIMATE 1975	ESTIMATE 1976
TALENT SEARCH				
Federal dollars	$5,814,937	$6,000,000	$6,000,000	$6,000,000
# of students	109,025	112,515	112,515	112,515
Cost per student	$53	$53	$53	$53
# of projects	114	120	120	120
Cost per project	$51,008	$50,000	$50,000	$50,000
UPWARD BOUND				
Regular projects				
Federal dollars	$34,292,683	$34,243,500	$34,243,500	$34,243,500
# of students	31,875	31,875	31,875	31,875
Cost per student	$1,076	$1,074	$1,074	$1,074
# of projects	351	359	359	359
Cost per project	$97,700	$95,385	$95,385	$95,385
Special Veterans Projects				
Federal dollars	$4,038,317	$4,087,500	$4,087,500	$4,087,500
# of students	34,316	34,316	34,316	34,316
Outreach only	(25,310)	(25,310)	(25,310)	(25,310)
Academic preparation	(9,006)	(9,006)	(9,006)	(9,006)
# of projects	66	57	57	57
Cost per project	$61,187	$71,711	$71,711	$71,711
SPECIAL SERVICES FOR DISADVANTAGED STUDENTS				
Federal dollars	$22,929,436	$23,000,000	$23,000,000	$23,000,000
# of students	73,951	73,951	73,951	73,951
Cost per student	$310	$311	$311	$311
# of projects	322	331	331	331
Cost per project	$71,209	$69,486	$69,486	$69,486
EDUCATIONAL OPPORTUNITY CENTERS				
Federal dollars	0	$3,000,000	$3,000,000	$3,000,000
# of students	0	50,000	50,000	50,000
Cost per student	0	$60	$60	$60
# of projects	0	12	12	12
Cost per project	0	$250,000	$250,000	$250,000
TOTAL (Students)	249,167	302,657	302,657	302,657
(Projects)	853	879	879	879

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional Assistance:				
(a) Strengthening developing institutions (HEA III):				
(1) Basic program......	$52,000,000	$52,000,000	$52,000,000	---
(2) Advanced program...	58,000,000	58,000,000	58,000,000	---
(b) Construction:				
(1) Subsidized loans (HEA VII -C, Sec. 745).........	20,000,000	20,000,000	23,000,000	+3,000,000
(NOA)	(---)	(---)	(---)	(---)
(2) Undergraduate facilities grants (HEA VII-A).......	39,946,000	39,946,000	---	-39,946,000
(NOA)	(---)	(---)	(---)	(---)
(3) Continuing education centers (HEA 705(a)(2)(c)).	250,000	250,000	---	-250,000
(NOA)	(---)	(---)	(---)	(---)
(c) Language training and area studies:				
(1) Centers, fellowships, and research (NDEA VI).........	11,300,000	8,640,000	8,640,000	---
(2) Fulbright-Hays fellowships (Fulbright-Hays Act)..............	2,700,000	1,360,000	1,360,000	---
(d) University community services (HEA I)......	14,250,000	900,000	---	-900,000
(e) Aid to land-grant colleges:				
(1) Annual appropriation (Bankhead-Jones Act)........	9,500,000	---	---	---
(2) Permanent appropriation (Second Morril Act).............	2,700,000	2,700,000	---	-2,700,000
(f) State postsecondary education commission (GEPA Sec. 421 and HEA Sec. 1203)............	3,000,000	800,000	---	-800,000
(g) Veterans cost of instruction (HEA IV-A-5, Sec. 420).............	23,750,000	---	---	---
(h) Cooperative education (HEA IV-D)...........	10,750,000	10,750,000	8,000,000	-2,750,000
Total Institutional assistance.........	248,146,000	195,346,000	151,000,000	-44,346,000
Total (NOA)..........	(187,950,000)	(135,150,000)	(128,000,000)	(-7,150,000)

Narrative

The $128,000,000 for Institutional assistance is $7,150,000 less than the revised 1975 level, which reflects proposed rescissions amounting to $52,800,000. The commitment to improve educational opportunity for disadvantaged and minority group students, however, has resulted in requesting $110,000,000 for developing institutions. While this is the same dollar level as the 1975 appropriation, the effect is an increase in program level, since most of the institutions which received three to five year advance program grants from the 1973, 1974, and 1975 appropriations will still be supported by those grants when a new group of 21 receive advanced program grants from the 1976 appropriation. As in 1975, $58,000,000 would fund advanced institutional development grants, and $52,000,000 would support the basic program.

Other programs in this activity for which funds are requested are language training and area studies and cooperative education.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. Institutional assistance				
a. Strengthening developing institutions:				
(1) Basic institutional development				
(a) New awards ..	$ 3,000,000	$ 3,000,000	$ 3,000,000	---
Number.....	30	30	15	-15
(b) Competing continuing awards.......	$49,000,000	$ 49,000,000	$ 49,000,000	---
Number.....	160	160	150	-10
Subtotal.	$52,000,000	$ 52,000,000	$ 52,000,000	---
Number.	190	190	165	-25
(2) Advanced institutional develment				
(a) New awards...	$23,000,000	$ 23,000,000	$ 58,000,000	+$35,000,000
Number.....	12	12	21	+9
(b) Supplemental.	$35,000,000	$ 35,000,000	---	-$35,000,000
Number.....	35	35	---	-35
Subtotal.	$58,000,000	$ 58,000,000	$58,000,000	---
Number.	47	47	21	-26
Total amount.........	$110,000,000	$110,000,000	$110,000,000	---
Total awards.........	237	237	186	-51

Narrative

Program Purpose

To strengthen the academic quality of developing institutions which have the desire and potential to make a substantial contribution to the higher education resources of the Nation but which are struggling for survival and are isolated from the main currents of academic life, Title III of the Higher Education Act authorizes annual appropriations of up to $120,000,000 for a program of discretionary grants. Of the total appropriated, 76% is for institutions awarding bachelor's degrees ("four-year schools") and 24% is for postsecondary schools that do not award bachelor's degrees ("two-year schools"). This program has been in operation since 1966.

Institutions may participate either as direct grantees or, in the case of the basic programs, as members of consortia. To be eligible they must (1) be public or non-profit; (2) have, with some exceptions, been in existence for as least five years; (3) be accredited or making reasonable progress toward accreditations; and (4) provide evidence that they will be able to utilize program funds effectively. "Developing Institutions" are generally characterized by high proportions of low-income and/or ethnic minority students, have limited program offerings, and face financial limitations which restrict both the expansion of services and the improvement of institutional quality. Grants are awarded competitively to applicants on the basis of realistic, long-range plans for development. Applications are reviewed by professional consultants, selected from the academic community for their knowledge of the problems and needs of the developing institutions. The general requirement that institutions must have existed for 5 years may be waived in the cases of institutions with large Indian or Spanish speaking enrollments as provided by the "Education Amendments of 1972" and the "Education Amendments of 1974" respectively. Institutions may participate in either the basic institutional development program, (which provides one-year, forward funded grants for specific development activities) or in the advanced institutional development program (which provides 3 to 5 year grants for more comprehensive and accelerated development activities). The advanced program is intended to put the participants more nearly in the mainstream of higher education, with the view toward graduating them from the program at the end of the grant period.

Plans for the fiscal year 1976

The $110,000,000 requested for 1976 would continue the 1975 level of $52,000,000 for the older, "basic," program, and $58,000,000 for the newer "advanced" element of the program.

Basic Program - The $52,000,000 requested for the basic program would fund grants to 165 institutions in academic year 1976-77. Of these, 150 would be awarded to previous grantees for additional development activities and 15 would be awarded to new participants. About 30 previous grantees who have demonstrated substantial progress, will be awarded larger grants to develop planning capabilities and to facilitate their anticipated transition into the Advanced program.

Advanced program - The $58,000,000 requested for the Advanced program will provide grants to 21 institutions to accelerate administrative and management improvement, curriculum development, student support services, and faculty improvement, with a view to graduating the institutions from the program at the end of their grant period. The grants, averaging $2,760,000, would cover a 3 to 5 year development program during which the grantees plan economies in the use of their funds, review their missions and goals over the next five to ten years, and restructure their curriculum offerings. Priorities for funding will include training in career fields in which minorities are severely underrepresented and training for emerging employment and graduate study opportunities. The development program will include design and implementation of an effective planning, management, and evaluation system, in order that the institutions may utilize their resources more effectively. Their plans should indicate specific ways in which they expect to increase non-Federal income. Previous recipients of these grants will still be utilizing funds appropriated in 1973, 1974 and 1975 when the 1976 grants are awarded to 21 new institutions. Therefore, level funding leads to an increase in annual activity and expenditure of these funds by participant institutions.

Accomplishments for fiscal years 1974 and 1975

Basic program - The $52,000,000 appropriated in fiscal year 1975 will provide grants to 190 institutions: 30 new participants and 160 previous grantees. Approximately 30 schools will receive slightly larger grants to develop comprehensive planning capabilities to facilitate later transition into the Advanced program. Current expectations are that grants to junior colleges will be larger and fewer.

The $51,992,000 appropriated in fiscal year 1974 provided grants to 215 institutions: 23 new participants and 192 previous grantees.

Advanced program - The $58,000,000 appropriated in fiscal year 1975 is expected to provide 12 primary grants and 35 grants to supplement grants funded by the 1973 and 1974 appropriations. Some of those earlier awards, averaging $1,300,000, will have to be substantially augmented to carry out the purpose of the advanced development program.

The $48,000,000 appropriated in fiscal year 1974 provided grants to 36 institutions. These schools are currently refining their proposals and developing operational plans which must receive approval prior to release of funds for program implementation.

Higher Education Activities - Program Assistance

Strengthening Developing Institutions

I. Basic Program

	1974 Acutal			1975 Estimate			1976 Estimate		
	No.	Average Cost	Amount	No.	Average Cost	Amount	No.	Average Cost	Amount
Number of Grantee Institutions	215	$241,823	$51,992,000	190	$273,684	$52,000,000	165	$315,152	$52,000,000
Continuation Awards.........	(192)	"	($46,430,071	(160)	"	($43,789,480)	(150)	($320,000)	($48,000,000)
New Awards..................	(23)	"	($5,561,929	(30)	"	($8,210,520)	(15)	($266,666)	($4,000,000)
Number of Developing Colleges Participating in Cooperative Arrangements................	139			175			125		
National Teaching Fellowships and Professors Emeriti......	583	$8,100	($4,722,300)	300	$8,100	($2,430,000)	275	($8,100)	($2,227,500)

NOTE: The figures in the amount column include money for National Teaching Fellowships and Professors Emeriti.

II. Advanced Program

	No.	Average Cost	Amount	No.	Average Cost	Amount	No.	Average Cost	Amount
Number of Grantee Institutions	36	$1,333,333	$48,000,000	47	$1,234,042	$58,000,000	21	$2,761,905	$58,000,000
Continuation Awards (Supplemental)				(35)	($1,000,000)	($35,000,000)	0		
New Awards.................				(12)	($1,916,667)	($23,000,000)	(21)	$2,761,905)	($58,000,000)
Total..................	251		$99,992,000	237		$110,000,000	186		$110,000,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance				
(c) Language training and area studies				
(1) Centers, fellowships and research........	$11,300,000	$8,640,000	$8,640,000	---
New awards..........	6,337,000	3,677,000	8,010,000	+4,333,000
Number...............	126	73	126	+53
Non-competing continuations........	$ 4,963,000	$4,963,000	$ 630,000	-4,333,000
Number...............	69	69	16	-53

Narrative

Program Purpose

To help American institutions of higher education better serve the national interest in the contemporary world by strengthening the academic base for teaching and research in modern foreign languages, area studies and world affairs, Title VI of NDEA authorizes discretionary grants and contracts. Emphasis is placed on efforts designed to:

- --Increase and maintain the nation's manpower pool of foreign language and area trained personnel and develop curricula and instructional materials to assist in the training of such specialist; or
- --Demonstrate through a limited number of exemplary projects methods of introducing an international dimension into all postsecondary education in order to increase general non-specialist knowledge of other cultures and topics of global concern.

Plans for fiscal year 1976:

A total of $8,640,000 is requested to assist centers, demonstration programs, fellowships, and research in international studies. Specific plans include:

Centers:

To train specialist for careers requiring knowledge of other countries, their languages, and cultures, $4,500,000 is requested to assist 50 comprehensive centers at an average cost of about $90,000 per center. The centers, to be selected in a national competition, will offer instruction in international studies to an estimated 60,000 students during academic year 1976-77. These Centers will focus on the foreign languages and related studies of Latin America, the USSR and Eastern Europe, East Asia, South Asia, Southeast Asia, Middle East, Africa, and on other such fields as Western European, Canadian, Pacific, Inner Asia, comparative and international studies. Funding will be for a three-year period, subject to availability of funds and successful completion of phases one ane two.

Exemplary Projects:

To demonstrate more effective ways in which international education can strengthen the graduate and undergraduate levels, $830,000 is requested to assist 31 exemplary two-year projects. These include 11 graduate projects for research and training on interregional issues and problems in fields such as comparative urban studies, technology and social change, international trade and business, and environmental planning; and 20 undergraduate projects designed to add an international component to general postsecondary education, with particular emphasis on teacher training.

A small number of new projects under this category will, at the undergraduate level, permit the Office of Education to extend support for international studies programs to different types of postsecondary educational institutions in various areas of the United States, and at the graduate level, permit funding of programs concentrating on critical problems or issues that have not been previously addressed from a comparative and international perspective.

Fellowships:

To increase the supply of qualified specialists in foreign languages and area studies, total of $2,810,000 is requested for approximately 600 graduate fellowships. Fellowships will be targeted on disciplines and world areas in which there is a shortage of trained personnel.

Research:

To develop research projects in the language learning process, the methodology of foreign language teaching, preparation of instructional materials on uncommonly taught languages, and the development of baseline studies and curriculum materials for international/intercultural education, an amount of $500,000 is requested.

Accomplishments for fiscal year 1974 and 1975

In fiscal year 1975, an amount of $8,640,000 will permit funding of 50 centers, 31 exemplary projects, 604 graduate fellowships, and 16 research projects in foreign languages and area studies. Rescission of the $2,660,000 balance of the $11,300,000 1975 appropriation for this subactivity has been requested.

In fiscal year 1974, $11,289,015 was obligated for programs taking place during academic year 1974-75. These included 50 centers, 23 graduate and 50 undergraduate demonstration projects, 835 graduate-level academic year fellowships, and 27 research contracts.

SUPPLEMENTAL FACT SHEET

NDEA Title VI

Program	FY 1974 Actual	FY 1975 Estimate	FY 1975 Revised	FY 1976 Estimate
Centers (Graduate/ Undergraduate				
No. of centers	50	64	50	50
Average cost	$ 93,112	$ 87,531	$ 87,700	$ 90,000
Total cost	$ 4,655,607	$ 5,602,000	$ 4,385,000	$ 4,500,000
Enrollments (estimated)	60,000	70,000	60,000	60,000
Exemplary Projects (Graduate)				
No. of new programs	5	15	6	5
No. of continuing programs	18	6	6	6
Total no. of programs	23	21	12	11
Average cost	$ 37,909	$ 40,000	$ 35,000	$ 30,000
Total cost	$ 871,907	$ 840,000	$ 420,000	$ 330,000
Exemplary Projects (Undergraduate)				
No. of new programs	11	22	10	10
No. of continuing programs	39	9	9	10
Total no. of programs	50	31	19	20
Average cost	$ 25,305	$ 23,096	$ 27,000	$ 25,000
Total cost	$ 1,265,294	$ 716,000	$ 513,000	$ 500,000
Fellowships (Graduate)				
No. of fellowships	835	698	604	600
Average cost	$ 4,472	$ 4,700	$ 4,700	$ 4,700
Total cost	$ 3,734,144	$ 3,282,000	$ 2,822,000	$ 2,810,000
Research				
No. of projects	27	34	16	16
Average cost	$ 28,224	$ 25,294	$ 31,250	$ 31,250
Total cost	$ 762,063	$ 860,000	$ 500,000	$ 500,000
NDEA Totals	$11,289,015	$11,300,000	$ 8,640,000	$ 8,640,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance				
(c) Language training and area studies				
(2) Fulbright-Hays, Section 102(b)(6)				
Appropriation........	$2,700,000	$1,360,000	$1,360,000	---
(Obligation)..........	($2,700,000)	($1,360,000)	($1,360,000)	(---)
New awards...........	224	142	131	-11
Non-competing continuing............	---	---	---	---

Narrative

Program Purpose

To help provide the overseas capability to strengthen American education in foreign languages, area studies, and world affairs Section 102(b)(6) of the Fulbright-Hays Act authorizes support for fellowships for faculty and doctoral dissertation research, group projects for research, training and curriculum development, and curriculum consultant services of foreign educators to improve international and intercultural education in U.S. schools and colleges. Adequate opportunities for research and study abroad are critical in developing and maintaining the professional competence of foreign language and area studies specialists.

Geared to meet national needs, the Fulbright-Hays programs administered by the Office of Education provide a limited number of research scholars in foreign language and area studies and other educators with a means for acquiring first-hand experience in their area of specialization to update and extend research knowledge and to improve language skills.

Plans for fiscal year 1976

To enable American specialists in foreign language and area studies to acquire and reinforce abroad essential skills, focusing attention on countries which have been relatively understudied and on world areas where major U.S. foreign policy changes are now emerging (e.g. the Middle East, the Soviet Union and Eastern Europe, and East and Southeast Asia), a total of $1,360,000 is requested for fiscal year 1976, the same as the fiscal year 1975 level.

Of the $1,360,000 request, $765,000 would provide 90 doctoral dissertation research abroad fellowships for prospective teachers of foreign language and area studies with particular emphasis on world areas and disciplines in which there is a significant shortage of well-trained specialists.

An additional $192,000 would provide 24 grants for university faculty research abroad designed to reinforce professional skills and to help faculty remain current in their fields of specialization. Priority will be given to topics of contemporary relevance, with emphasis on the period since World War II and on problems of common concern.

A total of $237,000 is requested to help fund 5 group training projects abroad for about 150 participants. The participants will attend centers for intensive advanced training in critical languages (such as Chinese and Japanese).

An amount of $156,000 would provide 12 American institutions with cost-sharing grants, enabling them to bring foreign educational consultants to the United States to assist in developing instructional materials in international and intercultural studies. Priority would be given to state departments of education, consortia of developing institutions and community colleges, to large school systems and to smaller colleges with teacher education programs. In addition, $10,000 would be allocated for professional support service to the Office of Education's grantees abroad. Program activities will take place during summer 1976 and academic year 1976-77.

Accomplishments for fiscal years 1974 and 1975

The fiscal year 1975 appropriation of $1,360,000 will support research and training opportunities abroad for 390 teachers and prospective teachers of foreign language and area studies. A total of $750,000 will provide 100 doctoral dissertation research fellowships. An estimated $360,000 will assist 10 high priority group projects providing (1) intensive language training and (2) summer workshops related to domestic ethnic studies programs. The sum of $100,000 will provide 12 foreign curriculum consultant cost-sharing grants. In addition, $140,000 will provide 20 fellowships for faculty research. Finally, $10,000 will provide professional support services for grantees abroad.

A total of $1,319,937 in fiscal year 1974 provided 130 grants for research and training abroad. Doctoral dissertation research fellowships totaling $708,138 enabled 92 graduate students preparing for college and university teaching careers to conduct research in 56 countries. A total of $108,688 funded 16 fellowships for faculty research abroad.

Of the eight group projects abroad, two assisted 80 participants in the two American inter-university intensive language training programs which provided the highest level instruction regularly available abroad to American students of Japanese and Chinese. The remaining six projects were ethnic heritage summer seminars for 133 teachers and administrators which took place in Mexico and West Africa. These seminars are designed to improve understanding of the cultural origins of ethnic minority groups in the United States. In addition, 14 curriculum consultant grants helped educators from nine countries to come to the U.S. to help develop curricula and teaching materials at U.S. schools and colleges. Finally, $15,550 funded professional support services for the Office of Education's grantees abroad.

SUPPLEMENTAL FACT SHEET

Fulbright-Hays Training Grants

	FY 1974 Actual	FY 1975 Estimate	FY 1975 Revised	FY 1976 Estimate
Faculty Research Abroad				
No. of fellowships	16	64	20	24
Average cost	$ 6,793	$ 9,000	$ 7,000	$ 8,000
Total cost	$108,688	$576,000	$140,000	$192,000
Doctoral Dissertation Research Abroad				
No. of fellowships	92	116	100	90
Average cost	$ 7,697	$ 8,000	$ 7,500	$ 8,500
Total cost	$708,138	$928,000	$750,000	$765,000
Group Projects Abroad				
No. of projects	8	24	10	5
Average cost	$ 44,816	$ 40,000	$ 36,000	$ 47,400
Total cost	$358,530	$960,000	$360,000	$237,000
No. of participants	213	648	270	150
Average cost per participant	$ 1,680	$1,480,000	$ 1,333	$ 1,508
Foreign Curriculum Consultants				
No. of fellowships	14	20	12	12
Average cost	$ 8,620	$ 10,000	$ 8,333	$ 13,000
Total cost	$129,031	$200,000	$100,000	$156,000
Professional Support Services	$ 15,550	$ 36,000	$ 10,000	$ 10,000
Fulbright-Hays Totals	$1,319,937	$2,700,000	$1,360,000	$1,360,000

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance				
(d) University community services	$14,250,000	$900,000	---	-$900,000

Narrative

Program Purpose

To strengthen the community service programs of colleges and universities for the purpose of assisting in the solution of community problems, Title I of the Higher Education Act authorizes grants to States. The program is designed to aid the process of community problem solving through continuing education in individuals, groups and whole communities. In addition this program encourages the development of State-wide systems of community service and the establishment of new inter-institutional programs of continuing education related to State-identified community problems. The Federal share is 66-2/3 percent. Ninety percent of the appropriated amount is for formula grants which States are to use according to a plan approved by the Commissioner. In the past, some projects operated for more than a year on one year's appropriation, but the intention is to fund projects for only one year in the future.

The Commissioner may use 10% of the total appropriation for the special projects portion (Section 106) of the program which provides discretionary grants to institutions of higher education for special projects and programs which are designed to seek solutions to national and regional problems relating to technological and social changes and environmental pollution. In the past, projects have been funded for more than one year; but it is intended to fund for only one year in the future.

Section 110 provides for discretionary grants to apply the resources of higher education to the transportation and housing problems of elderly persons living in rural and isolated areas. This section has a separate authorization, and it has not been funded to date.

Plans for fiscal year 1976

In order that scarce resources can be concentrated on student aid, no funds are requested for this program. States and localities should assume responsibility for community service programs.

No appropriation is requested for this program in 1976. Most of the funds under this program have supported small projects with a variety of program content. The budget request assumes that there are higher priority uses for Federal funds.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1975 the appropriation was $14,250,000 for this activity. Of this amount, $13,350,000 is being proposed for rescission. An amount of $900,000 would be available to the State agencies to administer the ongoing programs through the third quarter of fiscal year 1975.

The State agencies, with fiscal year 1974 funds, are supporting 646 community service projects utilizing the resources of 741 institutions of higher education serving approximately 350 thousand participants. Of the 646 projects, 132 are inter-institutional or consortial projects.

The program of special projects is experimenting with innovative methods, materials or systems for continuing education, relative to such problems as effective use of water resources, improvement of special programs for the deaf, and improvement of local government. Special emphasis is being placed on cooperative projects that show unusual promise in promoting comprehensive educational approaches to community problem solving. Eleven special projects are being supported utilizing funds appropriated in FY 1974.

SUPPLEMENTAL FACT SHEET

University Community Services

	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
(a) State Grant Program:				
Number of State-grant project awards	646	646	---	---
Number of State-grant projects operational	646	646	500	300
Number of institutions participating	741	741	570	340
Participants	500,000	500,000	350,000	200,000
(b) Special Projects:				
Number of Special project awards	11	11	---	---
Number of Special projects operational	---	11	11	11
Amount of average awards	$129,500	$129,500	---	---

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance:				
(e) Aid to land-grant colleges:				
(1) Permanent appropriation........	$ 2,700,000	$2,700,000	---	$-2,700,000
(2) Bankhead-Jones Act...	9,500,000	---	---	---
Total...........	12,200,000	2,700,000	---	-2,700,000
State formula grants......	54	54	---	-54

Narrative

Program Purpose

Funds are awarded to support postsecondary instruction in agriculture, the mechanic arts, the English language, and various branches of the sciences. The Second Morrill Act of 1890, as amended, provides a permanent annual appropriation of $2,700,000 to be allotted, $50,000 to each State, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. The Bankhead-Jones Act authorizes an annual appropriation of $12,460,000. Uniform grants of $150,000 go to each State, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. The balance of the appropriation for the Bankhead-Jones program is apportioned among States in accordance with a formula based on population.

Plans for fiscal year 1976

Bankhead-Jones funds and the Permanent Appropriations are a relatively minor source of funds for these colleges and universities which include some of the strongest and most prestigious institutions of learning in the country. The smaller and poorer land-grant institutions, particularly the predominantly black land-grant institutions in the South, will continue to be aided by the Developing Institutions Program (Title III of the Higher Education Act of 1965). As a consequence, no funds are requested for 1976.

Accomplishments for fiscal years 1974 and 1975

In 1975, seventy-two land-grant institutions of higher education in 54 jurisdictions will receive $50,000 each from the $2,700,000 made available by the Second Morrill Act permanent appropriation. Rescission of the $9,500,000 appropriated under the Bankhead-Jones Act has been requested.

In 1974, seventy-two land-grant institutions of higher education, in fifty-four land-grant jurisdictions, shared the $12,200,000 in grants ranging from approximately $200,500 to $335,575.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional Assistance (f) State Postsecondary Education Commissions: Administration and Planning.................	$3,000,000	$800,000	--	$-800,000
Number of States and territories funded...........	56	56	--	-56

Narrative

Program Purpose

This program has a dual purpose: (a) comprehensive State planning of postsecondary education and (b) State administration of certain Federal programs. In both cases, grants are discretionary. Section 1203 of the Higher Education Act authorized appropriation for comprehensive planning grants to be administered by State agencies established under Sec. 1202 of the Act. Those agencies would administer Federal grants awarded under Title X (Community Colleges and Occupational Education), and could be designated (by the State) to administer Community Services and Continuing Education Programs (Title I of the Higher Education Act), the Undergraduate Equipment Program (Title VI-A of the Act), or Grants for Construction of Undergraduate Academic Facilities (Title VII-A of the Act). In States where these agencies are not designated to administer the Titles VI and VII programs, these programs are administered by the State Higher Education Facilities Commission. A portion of the appropriated funds is authorized by Section 1202(c), HEA, and Section 421(b), GEPA, to be used to support costs incurred by the State Commissions in administration of the Titles VI and VII programs. Funds for State administration of Title I of the Higher Education Act are appropriated under the University community services program.

Plans for fiscal year 1976

No fiscal year 1976 funds are being requested for comprehensive State planning because that is regarded as primarily a State responsibility. No funds are requested for State administration of Federal programs because no funds are requested for those programs and a rescission of 1975 program funds has been requested.

Accomplishments for fiscal years 1974 and 1975

During 1974, fifty-six States and territories received allotments for administration of their construction and undergraduate equipment programs; and 45 Section 1202 State Commissions received grants under Section 1203 of HEA to conduct comprehensive planning activities for all of postsecondary education.

In fiscal year 1975, $3,000,000 was appropriated for State planning of postsecondary education and for State agency cost of administering programs of Federal grants for undergraduate construction (HEA VII-A) and undergraduate equipment (HEA VI-A). Of the amounts appropriated. $800,000 was made available for State administration and $2,200,000 is requested for rescission. The requested rescission would eliminate support for comprehensive planning as well as fourth quarter support of State agency administration.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance:				
(g) Veterans' cost-of-instruction....................	23,750,000	---	---	---
Number of awards..............	1,350	---	---	---

Narrative

Program Purpose

To encourage colleges and universities to serve the special edicational needs of Vietnam-era veterans with emphasis upon the educationally disadvantaged, Title IV, Section 420 of the Higher Education Act authorized the veterans' cost-of-instruction program.

The institution uses funds awarded on the basis of undergraduate veteran enrollment to establish an Office of Veteran's Affairs responsible for the coordination of veterans' services with other services available to veterans and to provide services in the areas of outreach, recruitment, counseling and special education. The enabling legislation also requires that institutions provide services "through the use of funds available under federally assisted work-study programs."

The program is forward funded, that is, funds appropriated in one year are obligated by the Office of Education that year but spent by the recipient institution during the following year.

Plans for fiscal year 1976

No funds are requested for this activity in fiscal year 1976 for a number of reasons; first, the high point for returning Vietnam-era veterans has passed; second, now that recruitment programs have been established, veterans can be helped more by student assistance programs than by institutional assistance; third, there has been an increase in direct benefits to veterans by more liberal veteran educational allowances and by providing more equity in treating these allowances in determining the eligibility and level of awards under the Basic Opportunity Grant program.

Accomplishments for fiscal year 1974 and 1975

The Veterans' Cost-of-instruction Program with over 1,000 postsecondary institutions participating each of the two years of its existence, has targeted specifically on the educational needs of veterans. The program has spurred significant institutional commitments by the nation's colleges and universities in the areas of recruiting, counseling and special educational services for veterans.

In fiscal year 1975 $23,750,000 was appropriated. Under the provisions of the Congressional Budget and Impoundment Control Act of 1974, rescission of these funds has been proposed to the Congress. In fiscal year 1974, $23,750,000 in Federal funds supported grants to 1,008 institutions of postsecondary education.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Institutional assistance:				
(h) Cooperative education:				
New Awards............	$2,400,000	$2,400,000	$3,450,000	$+1,050,000
Number................	75	75	100	+25
Competing continuing awards..............	8,350,000	8,350,000	4,550,000	-3,800,000
Number................	275	275	130	-145
Total.................	10,750,000	10,750,000	8,000,000	-2,750,000
Number................	350	350	230	-120

Narrative

Program Purpose

To help higher education institutions plan, establish, expand or carry out cooperative education programs, Title IV-D of the Higher Education Act authorizes grants for programs developed by the institutions in cooperation with business and industry. The programs alternate periods of full-time study and full-time public and private employment. This gives students work experience related to their academic or career objectives, as far as practicable. In addition, the program authorizes support for training persons in administering cooperative education programs at institutions of higher education and for research directly related to the improvement of development of such programs.

Institutions submit proposals which are initially screened to determine if eligibility requirements are met. If they are, the proposal is reviewed and evaluated by a panel of consultants drawn from the Nation's academic community, business, industry and government. Final funding decisions rest with the Office of Education.

Grants in support of applications for planning, implementing, strengthening and expanding programs at institutions of higher education are limited to a maximum annual award of $75,000. Salaries for students while employed under the program may not be paid from this source. The grantee institution may receive grants for up to three years; however, all awards, including those supported on a continuing basis, compete annually.

Plans for fiscal year 1976

The fiscal year 1976 request of $8,000,000 will provide support for cooperative education programs in 230 institutions, of which 100 will be in their initial year, 70 in the second year and 60 in the third and final year of their programs. As a result of previous years' appropriations, a number of institutions are completing the final year of program development during fiscal year 1975, permitting a reduction in the level of Federal support for 1976.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1975, the $10,750,000 appropriation maintained program operations at the 1974 level with distribution of awards for research and training remaining approximately the same. About 75 new institutions will enter the program for the first time this year, while 275 previous recipients will receive second and third year awards.

Efforts in research continue to stress values of cooperative education to institutions, faculty, students, and employers, and provide more specific evaluation data. Training programs are directed towards providing an adequate supply of cooperative education directors and coordinators throughout the country.

The appropriation of $10,750,000 in 1974 was the second year at this level and 76 grantees concluded their 3-year eligibility period. Of the 641 proposals received, 371 were awarded grants including 45 first time recipients.

SUPPLEMENTAL FACT SHEET

AWARDS FOR COOPERATIVE EDUCATION PROGRAMS
Fiscal Years 1974-1976

	First Year		Second Year		Third Year		Total	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount
FISCAL YEAR 1974								
Administration	32	$ 706,000	241	$ 7,006,620	76	$ 2,287,380	349	$10,000,00
Research	4	157,000	1	40,000	0	0	5	197,00
Training	9	222,000	8	331,000	0	0	17	553,00
Totals	45	$ 1,085,000	250	$ 7,377,620	76	$ 2,287,380	371	$10,750,00
FISCAL YEAR 1975 (Estimated)								
Administration	64	$ 2,050,000	54	$ 1,440,000	209	$ 6,510,000	327	$10,000,00
Research	3	150,000	1	50,000	1	50,000	5	250,00
Training	8	200,000	5	150,000	5	150,000	18	500,00
Totals	75	$ 2,400,000	60	$ 1,640,000	215	$ 6,710,000	350	$10,750,00
FISCAL YEAR 1976 (Estimated)								
Administration	100	$ 3,450,000	70	$ 2,450,000	60	$ 2,100,000	230	$ 8,000,00
Research	0	0	0	0	0	0	0	0
Training	0	0	0	0	0	0	0	0
Totals	100	$ 3,450,000	70	$ 2,450,000	60	$ 2,100,000	230	$ 8,000,00

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development:				
(a) College teachers fellowships...	$4,000,000	$4,000,000	$1,000,000	$-3,000,000
(b) Training for disadvantaged.....	750,000	750,000	750,000	---
(c) Ellender fellowships...........	500,000	500,000	500,000	---
(d) Public service fellowships.....	4,000,000	---	---	---
(e) Mining fellowships.............	1,500,000	---	---	---

Program Purpose

The 1976 request is consistent with earlier budgets in not requesting funds for new starts in college teacher fellowships and in not requesting funds for fellowships in special categories. Persons wishing to pursue graduate study can, of course, apply for a guaranteed student loan. Ellender fellowships and training for disadvantaged are special cases. The objective of the Ellender fellowship is to help economically disadvantaged high school students and their teachers learn about the Federal government. The $750,000 requested under training for disadvantaged will allow the Office of Education to continue the CLEO (Council on Legal Educational Opportunity) program which helps minority and disadvantaged persons enter the legal profession. The 1975 appropriations for public service fellowships and for mining fellowships are requested for rescission.

	1975 Estimated	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development:				
(a) College teacher fellowships:				
Non-competing continuing awards....................	$4,000,000	$4,000,000	$1,000,000	$-3,000,000
Number....................	610	610	150	-460

Narrative

Program Purpose

To prepare persons for college teaching, Title IX, Part B of the Higher Education Act, authorizes a program of fellowships for graduates who are pursuing or intending to pursue the doctor of philosophy, or equivalent, degree. Grants to colleges and universities to carry out this program are discretionary and forward funded. The institution awards three-year fellowships to individuals. Each fellowship carries a $3,000 per year stipend for the fellow, $500 per year for each qualified dependent, and $3,000 per year cost-of-education allowance to the institution that the fellow attends. While the program is funded one year at a time, fellowships are expected to be funded to completion once the first year award is made.

The last new fellowships were awarded in 1971, and all fellowships terminated at the 1973-1974 academic year, except military veterans who had resigned their fellowships to enter military service and who have returned to claim the unused portion of their original fellowships. A commitment to this effect, subject to the availability of funds, was made to these fellows at the time of resignation to enter military service.

Plans for fiscal year 1976

The requested $1,000,000 for fiscal year 1976 will be used solely for the support of approximately 150 veterans during the 1976-1977 fellowship year.

Accomplishments in fiscal years 1974 and 1975

The fiscal year 1975 appropriation of $4,000,000 will support approximately 610 returned veterans during the 1975-1976 academic year. The fiscal year 1974 appropriation of $5,806,000 is sufficient to support 880 military veterans during the 1974-1975 fellowship year. No new fellowships were awarded.

Supplemental Fact Sheet

COLLEGE TEACHER FELLOWSHIP PROGRAM

Breakdowns of Costs and Work-load

	Fellowships year		
	1974-75 Estimate	1976-76 Estimate	1976-77 Estimate
College Teacher Fellowships..........	$5,806,000	$4,000,000	$1,000,000
Number of Returned Fellowships Supported.......................	880	610	150
Number of institutions receiving awards..........................	202	150	125

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development:				
(b) Training for disadvantaged	$750,000	$750,000	$750,000	---

Narrative

Program Purpose

To help people from disadvantaged backgrounds undertake training for the legal profession, the Commissioner is authorized, by section 966 of the Higher Education Act, to award grants or contracts to public and private organizations other than institutions of higher education. In accordance with Congressional intent, appropriations for this program have been awarded to the Council on Legal Education Opportunity (CLEO) which previously was funded by the Office of Economic Opportunity (OEO). Section 966 was added to Part D of Title IX of the Higher Education Act by Section 836 of P.L. 93-380, approved August 21, 1974, in order that the Office of Education could operate the program as OEO had. Before P.L. 93-380 was enacted, certain provisions of Part D of Title IX of the Higher Education Act were waived, by P.L. 93-343, to permit funds appropriated in 1974 to be used for CLEO The Council on Legal Educational Opportunity was established to increase the number of lawyers from minority and disadvantaged groups and has pursued that objective for six years.

The program is multi-year funded. The grant to CLEO provided funds to carry some of the students for one year and others for two years. Under the Office of Economic Opportunity (OEO) each year's appropriation funded the full three years' training for the beginning group. During the last year of OEO funding, the practice had to be modified to maintain the level of students supported within available funds. As a consequence, the appropriation for a given year now funds:

(a) stipends for the first year of a beginning group;

(b) stipends for the second and third years of the group that started the previous year. The amount assumes some attrition from the second to the third year;

(c) CLEO administrative expenses.

Plans for fiscal year 1976

The 1976 request would fund the first year for 180 students and the second and third year for a group of 213. The amount of the grant is based on the assumption that 21 of the 213 would drop out. Therefore, third year awards are included for only 192. The requested amount would include $165,000 for CLEO administrative expenses.

Accomplishments for fiscal years 1974 and 1975

The 1975 appropriation will support 266 first year students and the second and third years of a group that will begin with 168 and taper off to 151. It will provide $165,000 for CLEO administrative expenses.

The 1974 amount funded 210 new starts and the second and third year of 180 students, plus $180,000 in CLEO administrative costs.

Training For The Disadvantaged (CLEO)

Breakdown of Costs and Work-load

	Academic Year		
	1974-75 Estimate	1975-76 Estimate	1976-77 Estimate
Number of trainees supported:			
First Year	210*	266**	180***
Second Year	180*	168**	213***
Third Year	160	180*	151**
TOTALS	550	614	544

*FY 1974 Budget		**FY 1975 Budget		***FY 1976 Budget	
$180,000 -	CLEO administration	$165,000 -	CLEO administration	$165,000 -	Cleo administration
360,000 -	Stipends for second year trainees, 1974-75, and for their third year, 1975-76	319,000 -	Stipends for second year trainees, 1975-76, and for their third year, 1976-77	405,000 -	Stipends for second year trainees, 1976-77, and for their third year, 1977-78
210,000 -	Stipends for first year trainees for one year, 1974-75 (160 third year trainees paid out of previous OEO grant)	266,000 -	Stipends for first year trainees for one year, 1975-76	180,000 -	Stipends for first year trainees for one year 1976-77
TOTALS $750,000		$750,000		$750,000	

(NOTE: The estimated budgets for 1975 and 1976 do not include the $200,000 that has been previously budgeted from Student Special Services program to fund the summer institute portion of the CLEO program.)

	1975 Estimate	1975 Revised	1975 Estimate	Increase or Decrease
Personnel development:				
(c) Allen J. Ellender fellowships	$500,000	$500,000	$500,000	---
Non-competing continuing				
Number	1	1	1	---

Narrative

Program Purpose

To assist the Close Up Foundation of Washington, D.C. in carrying out its program of increasing the understanding of the Federal Government among secondary school students, teachers, and the communities they represent, P.L. 92-506 authorizes an annual appropriation of up to $500,000.

Plans for fiscal year 1976

This program was initiated by the U. S. Congress in fiscal year 1973 as a tribute to the late Senator Allen J. Ellender. Since its inception, the program has provided about 4,500 economically disadvantaged secondary students and teachers with the opportunity to participate in a Washington Public Affairs Program. The fiscal year 1976 request of $500,000 will support about 1,500 fellowships to economically disadvantaged secondary school students and secondary school teachers.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1975 the appropriation of $500,000 maintains this program at the fiscal year 1974 level.

The Close Up Foundation awarded 1,478 fellowships in fiscal year 1974. Of the $500,000, $6,000 was for the foundation's administrative expenses and the balance was used directly for the fellowship.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development				
(d) Public service fellowships	$4,000,000	---	---	---
Grants to institutions	23	---	---	---
Fellowship awards	261	---	---	---

Narrative

Program Purpose

To expand and improve the training of persons for the public services, Title IX Part C of the Higher Education Act authorizes post-baccalaureate fellowships. Part A of Title IX authorizes institutional grants for this and other purposes.

Plans for fiscal year 1976

No Federal funds are requested for this program in fiscal year 1976. The fiscal year 1976 budget places priority on programs which help equalize postsecondary educational opportunities through broader student assistance programs which provide students the opportunity to determine the selection of institution and area of study that will best meet their individual needs. The 1976 budget includes, for the first time, $10 million to establish the Harry S. Truman Scholarship Fund which is expected to award 53 scholarships to students wishing to pursue public service careers during academic year 1976-77. This program will be managed by an independent agency and funding for it is not a part of the HEW budget.

Accomplishments in fiscal year 1974 and 1975

Funds are appropriated for this activity for the first time in fiscal year 1975. A rescission of the $4,000,000 appropriated for this activity has been proposed to the Congress.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Personnel development				
(e) Mining fellowships	$1,500,000	---	---	---
New Awards				
Number	10	---	---	---

Narrative

Program Purpose

To assist graduate students of exceptional ability and demonstrated financial need to undertake advanced study in domestic mining, and mineral fuel conservation, including oil, gas, coal, oil shale and uranium, Part D of Title IX of the Higher Education Act, authorizes annually such sums as may be needed to support up to 500 mining fellowships.

Plans for fiscal year 1976

No Federal funds are requested for this program in fiscal year 1976. The fiscal year 1976 budget places priority on programs which help equalize postsecondary educational opportunities through broader student assistance programs which provide students the opportunity to determine the selection of institution and area of study that will best meet their individual needs.

Accomplishments in fiscal years 1974 and 1975

Funds were appropriated for this activity for the first time in fiscal year 1975. A rescission of the $1,500,000 appropriated for this program has been proposed to the Congress.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Ethnic heritage studies:				
Appropriation	1,800,000	---	---	---

Narrative

Program Purpose

To provide for a greater understanding of the contributions of one's own ethnic heritage and the ethnic heritage of others to intercultural understanding and enrichment among the culturally diverse population of the United States in order to "contribute to a more harmonious, patriotic, and committed populace," Title IX of the Elementary and Secondary authorizes grants to public and private nonprofit educational agencies, institutions, and organizations. The Ethnic

Heritage Studies program authorizes the Commissioner of Education to make grants to and contracts with public and private nonprofit educational agencies, institutions, and organizations to assist them in planning, developing, establishing, and operating ethnic heritage studies programs.

Plans for fiscal year 1976

No funds are requested for this program in fiscal year 1976. Other educational authorities may be used to provide sources of funds for ethnic studies programs. Curriculum materials, for example, can be developed and disseminated by the National Institute of Education and the Office of Education within their present authorities. Assistance is provided in the 1976 budget for bilingual-bicultural programs benefiting several ethnic groups. Assistance is also provided for developing institutions of higher education enrolling large numbers of minority students. These institutions are able to provide special programs in ethnic studies.

Accomplishments for fiscal years 1974 and 1975

In fiscal year 1974, 42 projects were funded at an average cost of about $56,000. Program activities will take place during academic year 1974-75. Emphasis was placed on multi-ethnic endeavors drawing on the cultural pluralism of the community; on school, university, and community cooperation; and on grantee commitment to program continuation. All projects include an appropriate balance of curriculum development, dissemination, and teacher training activities.

The Administration has requested rescission of the $1,800,000 appropriated for this program in 1975, under the Occupational, Vocational, and Adult Education appropriation.

Program Purpose and Accomplishments

Activity: Basic educational opportunity grant program (Higher Education Act Title IV. Part A. Subpart 1)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$660,000,000	$660,000,000	Indefinite	$1,050,000,000

Purpose: To help qualified students finance their postsecondary education, this program, authorized by Title IV, subpart A-1 of the amended Higher Education Act, authorizes grants to students who carry at least half of a normal full load of studies at accredited postsecondary vocational, technical, proprietary institutions, and at colleges and universities at the undergraduate level. At full funding, the program provides a grant of $1,400 less expected family contribution, but not to exceed one-half the cost of attendance. The law provides a reduction formula for less than full-funding.

Explanation: The program is forward funded, that is, the fiscal year 1975 appropriation will fund operations during academic year 1975-76; and the 1976 appropriations will fund operations during 1976-77. The Commissioner must submit a schedule of expected family contribution to Congress each year for approval. The payment schedule which sets the levels of awards for a fiscal year will be published after the appropriation is passed so that students and their families may make definite plans for the following academic year.

Accomplishments in 1975: During academic year 1974-75 (fiscal year 1974) the $475,000,000 appropriated in 1974 plus the estimated carryover of $60,000,000 in [illegible]expended fiscal year 1973 funds will provide 689,000 students with grants averaging $776 and ranging from $100 to $1,050. Special appropriation language restricted grants from 1974 funds to first and second year full-time students. The $648,500,000 available in 1975 is expected to provide grants averaging $586 to 1,107,600 students during academic year 1975-76. Special appropriation language limits grants from the 1975 appropriation to first, second and third year students enrolled on at least a half-time basis.

Objectives for 1976: It is estimated that the requested $1,050,000,000 will fully fund the program, providing grants ranging from $200 to $1,400 to 1,323,600 students in academic year 1976-77 in all four years (and in special circumstances, five years) in addition to paying the $11,500,000 in contractual administrative costs.

Activity: Supplemental educational opportunity grants (Higher Education Act Title IV, Part A, Subpart 2)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$240,300,000	$240,300,000	$200,000,000[1/]	---

[1/] $200,000,000 for initial year awards plus such sums as are needed for renewal awards.

Purpose: To help make available the benefits of postsecondary education to qualified students of exceptional financial need, Subpart A-2 of Title IV of the Higher Education Act authorizes a program of supplemental educational opportunity grants, to be provided through institutions of higher education.

Explanation: The program is forward funded, that is, the amount appropriated in one year assists students in attendance during the following year. A statutory formula determines how much will be received by institutions within a State for initial year awards. Within a State's allotment, funds are distributed among institutions on the basis of panel approved requests. The amount paid to a student under this program may not exceed one-half of the total amount of financial aid made available to him by his institution. Amounts for continuation awards are distributed according to need.

Accomplishments in 1975: The fiscal year 1975 appropriation of $240,300,000 will be awarded to approximately 3,450 institutions during fiscal year 1975. With these funds, the institutions will be able to make Supplemental Grants to an estimated 347,000 exceptionally needy students in academic year 1975-76.

Objectives for 1976: No funds are requested for 1976. Available resources are concentrated on the Basic Educational Opportunity Grant program.

Activity: Work-study (Higher Education Act of 1965, Title IV, Part C)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$300,200,000	$300,200,000	$420,000,000	$250,000,000

Purpose: To assist financially needy students in postsecondary institutions with the means of financing their education through part-time employment, Part C of Title IV of the Higher Education Act authorizes grants to the institutions to meet a portion of the cost of wages paid to such students employed in a work-study program.

Explanation: A statutory formula determines the initial distribution among States. Funds are awarded and administered under an agreement between the Commissioner and each eligible institution of higher education, including proprietary schools and area vocational-technical schools. Funds are distributed among the institutions within a State by formula, based on Regional Panel's recommendations. Federal funds may be used to pay up to 80 percent of the wages paid to students selected by the institutions; the institution must provide the matching share of 20 percent. Employment may be for the institution itself or at public or private non-profit agencies under contract with the participating institution. Both full-time and half-time students attending eligible institutions are eligible, whereas previously, only full-time students could be employed under the program.

Accomplishments in 1975: The 1975 appropriation of $300,200,000 will be obligated to institutions during fiscal year 1975 to help pay for student employment in 1976 for 624,000 students earning an average of $580 each. It is expected that basic grants and guaranteed loans will be sufficiently available then to minimize the need for other forms of Federal financial aid for students.

Objectives for 1976: The funds requested for fiscal year 1976 will finance student employment during fiscal year 1977. It is anticipated that basic grants and guaranteed loans will be sufficiently available at that time to minimize the need for other forms of Federal financial aid for students. However, since basic grants are limited to paying no more than half of a student's cost of education, they must be supplemented by other forms of aid. Work-study provides the students work experience and with financial aid without incurring a debt, and it allows institutions to obtain services they could not afford if they had to pay the full cost.

Activity: National direct student loans (Higher Education Act, Title IV, Part E)

	1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
Federal Capital Contributions	$321,000,000	$321,000,000	$400,000,000	$ ---
Loans to Institutions	2,000,000	2,000,000	--- 1/	---
Teacher/Military Cancellations	6,440,000	6,440,000	Indefinite	8,960,000

Purpose: To provide long-term, low-interest loans to needy students in institutions of higher education to enable them to pursue their course of study, Part E of Title IV of the Higher Education Act authorizes a program of contributions to student loan funds at eligible institutions. All or a portion of the loan to a student may be cancelled in consideration of subsequent service in certain kinds of teaching or subsequent military service in a combat zone.

Explanation: Under an agreement between the Commissioner of Education and the eligible institution, a revolving student loan fund is created at the institution, with 90 percent Federal Capital Contribution and 10 percent Institutional Capital Contribution. Loans bear 3 percent interest, beginning 9 months after the student ceases at least half-time attendance at an eligible institution.

The Commissioner reimburses to the institution its share of loans cancelled if the loan was made before July 1, 1972. On loans made after June 30, 1972, the Commissioner restores to the Fund at the institution the full amount cancelled.

Accomplishments in 1975: The 1975 appropriation of $321,000,000 for Federal capital contributions will be obligated to an estimated 3,100 institutions to enable them to draw funds during academic year 1975-76 to establish or augment their revolving student loan fund. These funds, plus the institutional share, and net collections for the year are expected to be in excess of $506,000,000 which will provide an average loan of $690 to 734,000 students.

Objectives for 1976: No new Federal capital contributions are requested for 1976. It is expected that the guaranteed student loan program, as the result of administrative and legislative changes and the operation of the Student Loan Marketing Association will provide students adequate access to student loans.

It is estimated that the net value of all national direct student loan funds at institutions at the end of 1976 will be $2,800,000,000. Such a total value in a perpetual revolving Fund should be sufficient, when Funds mature, to provide annual loans of more than $200 million a year, to supplement guaranteed student loans from private lenders.

The net amount expected to be available from collections during fiscal year 1976 for use in academic year 1976-77 is $164 million.

These funds will provide an average student loan of $500 (which is expected to be adequate under prevailing conditions) to 328,000 students. The increase of $2,520,000 requested for teacher/military cancellations reflects the statutory change which provides for 100 percent reimbursement to the loan Funds at the institutions of cancellations granted on loans made after June 30, 1972.

1/ The lump sum authorized by Section 207 of the National Defense Education Act has been exhausted by prior year appropriations.

Program Purpose and Accomplishments

Activity/Subactivity: Subsidized Insured Loans

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$315,000,0001/	$382,400,0001/	Indefinite	$452,000,000

1/ Plus carryover balance of $5,516,637.

Purpose: To help students finance educational costs at eligible postsecondary institutions, Title IV-B of the Higher Education Act of 1965, as amended, authorizes a program of guaranteed and subsidized loans. Guaranteed loans are made primarily by commercial lenders, with the Federal government paying interest on behalf of eligible students while they are in school, during a maximum 12 month grace period after completion of their study and during authorized period of deferment. The Federal government also pays a special allowance, which may not exceed 3% per annum, on the average quarterly unpaid principal balance of loans made after August 1, 1969, whether or not the loan qualifies for Federal interest benefits.

Explanation: Loans are either guaranteed by twenty-six State or non-profit guarantee agencies and the District of Columbia or insured by the Federal government A maximum of $2,500 per academic year may be approved in most States if the educational costs require borrowing to this extent. Total loans outstanding may not exceed $7,500 for undergraduate or vocational students. This aggregate maximum may be extended to $10,000 for students who borrower for graduate study.

On April 18, 1974, the law was liberalized (effective June 2, 1974) to provide that any student whose adjusted family income is less than $15,000 is automatically eligible for up to a 7 percent subsidy on loans totalling up to $2,000 in any academic year. Such students who wish a subsidized loan in excess of $2,000 or students having adjusted family incomes of $15,000 or greater and applying for a subsidized loan of any amount, must submit to the lender the school's recommendation for a subsidized loan based on the school's assessment of the faimily's ability to pay for the cost of education.

Accomplishments in 1975: A revised appropriation of $382,400,000 for interest benefits, death and disability payments, and special allowances to lenders has been requested. This appropriation supports lender billings on $3.6 billion and special allowance payments on $5.3 billion. New loans amounting to $1.3 billion are estimated to be guaranteed. About 10% of these are unsubsidized. The level of onsite reviews of lenders and schools to verify accuracy of computing interest and special allowance billings is being increased by 293% over fiscal year 1974. In addition, new and revised regulations were published on February 20, 1975, designed to more adequately protect student borrowers by requiring that educational institutions provide prospective students with descriptive information, establish equitable refund policies and comply with other provisions which will improve the administration of the program and reduce defaults. These regulations also establish procedures providing for the limitation, suspension and termination of both schools and certain lenders that violate the provisions of the regulations.

Objectives for 1976: It is estimated that $452,000,000 in new funds will be obligated for interest benefits, special allowance, and death and disability payments. Interest benefits will apply to $1.5 billion in new loans and $3.6 billion in prior year loans. Special allowance, estimated at 3%, will be applied to about $6.1 billion in outstanding loans. Emphasis on school and lender reviews, the promotion of lender participation and the making of non-subsidized loans will continue.

Program Purpose and Accomplishments

Activity: Incentive grants for state scholarships (Higher Education Act Title IV, Part A, Subpart 3)

1975 Estimate	1975 Revised	1976 Authorization	 Budget Estimate
$20,000,000	$20,000,000	$50,000,000 1/	$44,000,000 2/

1/ For initial awards to students, plus "such sums as may be necessary" for continuation awards.
2/ For both initial awards and continuations.

Purpose: To encourage States to provide grants to students with substantial financial need in attendance at postsecondary education institutions, Section 415, Subpart A-3 of Title Iv of the Higher Education Act authorizes a program of incentive grants to States to pay a portion of such awards.

Explanation: Incentive grants are made available to States to stimulate them to establish or expand scholarship assistance to eligible students. Based on their higher education enrollments, States receive grants to be matched by funds from State resources for making initial and continuation awards to students. Each State designates an official State agency to administer the program and annually establishes "substantial financial need" criteria for approval by the Commissioner. The maximum permissible student grant is $1500 ($750 Federal portion). Grants must be matched on a dollar for dollar basis from State scholarship funds, up to the $1500 maximum per year, reduced for half time attendance. In order to qualify for Federal funds, States must also continue to spend in excess of a previously established base level of effort for student grants. Award funds not matched by one State may be reallotted to other qualifying States.

Accomplishments in 1975: Incentive grants totalling $20,000,000 will be awarded to approximately 54 States and territories having eligible matching scholarship or grant programs. Expansion of these State scholarship agencies from 27 in fiscal year 1973 to 50 in fiscal year 1974 and 54 in fiscal year 1975 indicate the program's incentive value in establishing State delivery systems concerned with administering student assistance on a joint Federal/State basis to expand postsecondary educational opportunities. Because the Fiscal Year 1975 appropriation was a lump sum to cover the separate authorizations for initial and continuation awards to students, States were granted flexibility to divide their allotments between the two types of awards according to their particular circumstances. The $20,000,000 Fiscal Year 1975 appropriation will result in scholarship or grant awards by these States to approximately 80,000 students in school year 1975-76, averaging $500 in Federal plus State matching funds per student assisted.

Objectives for 1976: The $44,000,000 requested for fiscal year 1976 will produce scholarships totaling $88,000,000 enabling the 56 participation States and territories to provide initial and continuation awards (averaging $500 each) to approximately 176,000 students.

Program Purpose and Accomplishments

Activity: Special programs for students for disadvantaged backgrounds (Higher Education Act Title IV, Part A, Subpart 4)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$70,331,000	$70,331,000	$100,000,000	$70,331,000

Purpose: To identify qualified low-income students, prepare them for postsecondary education, and provide special services for them and for physically handicapped students and those of limited English-speaking ability at the postsecondary level, Title IV-A, Subpart 4 of the Higher Education Act authorizes grants and contracts through four programs: Talent search, Upward bound, Special programs for disadvantaged, and Educational opportunity centers.

Explanation: These are discretionary grant programs with funding selection based upon published criteria and from proposals submitted by institutions of higher education, combinations of such institutions, public and private agencies and organizations (including scholarly and professional); and, in exceptional cases, secondary and secondary vocational schools. Educational opportunity center projects require a 25 percent matching fund. The program is forward funded, that is, the 1976 appropriation will fund activities during 1976-77.

Accomplishments in 1975: It is anticipated that the 1975 appropriation will fund a program during 1975-76 that is much like the current activity which was funded by the 1974 appropriation. Data from the 1973-74 school year, funded by the 1973 appropriation, show that Talent search placed 27,776, and Upward bound placed 6,950 students in postsecondary education; 32,941 students aided by the program began postsecondary studies, 7,687 dropouts returned to studies, and many more in the program continued to progress with their studies.

Objectives for 1976: To serve more than 302,600 low-income students, including those with physical disabilities, limited English-speaking ability and those from culturally disadvantaged background, and to secure positive educational results for 40 percent of those served, $67,331,000 will support program operations for Talent search, Upward bound, and Special services for disadvantaged students projects at approximately the same level as in fiscal year 1975. The remaining $3,000,000 will continue support of approximately 12 Educational opportunity centers in an effort to discover feasible methods to serve both urban and rural populations.

Program Purpose and Accomplishments

Activity: Strengthening developing institutions (Higher Education Act, Title III)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$110,000,000	$110,000,000	$120,000,000	$110,000,000

Purpose: To strengthen the academic quality of developing institutions which have the desire and potential to make a substantial contribution to the higher education resources of the Nation but which are struggling for survival and are isolated from the main currents of academic life, the Commissioner is authorized by Title III of the Higher Education Act to carryout a program of discretionary grants to such institutions.

Explanation: Forward-funded, discretionary grants are awarded to institutions of higher education annually on the basis of applications which are reviewed by professional consultants, selected for their knowledge of the problems and needs of developing institutions. These panels of consultants forward their recommendations to the program staff for final decisions. Proposals are reviewed for quality and for their capability to serve the needs of low-income students, expecially minority groups. For the basic program, grants are awarded for a one year period. The advanced institutional development program awards 3 to 5 year grants.

Accomplishments in 1975: The $52,000,000 appropriated for the basic program in 1975 is expected to fund 190 grants. Of these, 30 will be slightly larger grants to high potential institutions to facilitate a transition into the advanced institutional development program. The $58,000,000 appropriated for the advanced program will permit funding approximately 47 institutions, including 12 grants to new participants, and about 35 supplemental grants to institutions funded by fiscal year 1973 and 1974 appropriations to complete the funding of their development plans.

Objectives for 1976: To continue the program at the 1975 level, $110,000,000 is requested, of which $52,000,000 would be for the basic program and $58,000,000 would be for the advanced program. The $52,000,000 requested for the basic institutional development program will allow the funding of 15 new institutions and the continuation of 150 previous grants. The $58,000,000 requested for the advanced program would provide grants to 21 new institutions for an estimated average award of $2,760,000. These funds will be spent to accelerate institutional development over a three to five year period. The objective of the basic program is steady, incremental development. The objective of the advanced program is accelerated and comprehensive development, over a 3 to 5 year period, with the view toward graduating these institutions from the program at the end of the grant period.

Program Purpose and Accomplishments

Activity: Language training and area studies (National Defense Education Act Title IV; Mutual Educational and Cultural Exchange Act of 1961)

	1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
NDEA VI	$11,300,000	$8,460,000	$75,000,000	$8,640,000
Fulbright-Hays	2,700,000	1,360,000	Indefinite	1,360,000

Purpose: To improve the capabilities and resources of American educational institutions for research and training in international studies, NDEA Title IV and the Fulbright-Hays Act authorized support for university centers, programs, fellowships, and research in the U.S. as well as research and training abroad.

Explanation: Applications for annual awards under this program are received from U.S. institutions of higher education, individual researchers, State education agencies, public school systems, and nonprofit education agencies. All new proposals are reviewed by the program staff with the advice of outside academic consultants. Final decisions are made by the Office of Education. Recommended overseas projects are also forwarded to appropriate U.S. diplomatic missions and binational commissions for comment on feasibility and host country concurrence. A final review for overseas projects under the Fulbright-Hays Act is made by the Board of Foreign Scholarships, an autonomous body appointed by the President to provide general supervision for all programs carried out under this act.

Accomplishments in fiscal year 1975: Of the $14,000,000 appropriated for Language training and area studies, $4,000,000 was requested for rescission leaving a balance of $10,000,000 available for obligation. This included $8,640,000 for 50 comprehensive centers, 12 graduate and 19 undergraduate demonstration projects; 604 fellowships, and 16 research contracts. In addition, $1,360,000 for Fulbright-Hays was obligated to implement activities scheduled for academic year 1975-76 as follows: 120 faculty and doctoral research fellowships abroad, 10 group projects, and 12 curriculum consultant grants under Fulbright-Hays.

Objectives for fiscal year 1976: In fiscal year 1976, a budget request of $10,000,000 for NDEA VI and Fulbright-Hays would assist 50 centers, 31 graduate and undergraduate demonstration projects, 600 fellowships, and 16 research projects under Title VI. Under Fulbright-Hays authority, a request of $1,360,000 would provide approximately 90 doctoral dissertation research fellowships, 24 faculty research grants, 5 group research and training projects, and 12 foreign curriculum consultant grants.

Program Purpose and Accomplishments

Activity: University community services
(Title I, Higher Education Act)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$14,250,000	$900,000	$50,000,000 1/	-0-

1/ Excludes section 110 of HEA which authorizes such sums as are necessary to be appropriated for special programs and projects relating to problems of the elderly.

Purpose: To strengthen the community service programs of colleges and universities for the purpose of assisting in the solution of community problems, and to provide for special demonstration and experimental projects designed to seek solutions to national and regional problems relating to technological and social changes and environmental pollution, Title I of the Higher Education Act authorizes State formula grants and a 10% set-aside for discretionary grants.

Explanation: At least 90% of the appropriation is for the State grant portion which is administered in each State by an agency appointed by the Governor, under a State plan approved by the Commissioner of Education. This agency determines annually the problem areas to which available funds are to be applied. In this formula grant program the Federal share is 66-2/3 percent of this total amount expended.

Section 106 of Title I authorizes the Commissioner to use ten percent of the money appropriated under this title for discretionary projects and requires that participating institutions provide at least ten percent of the costs incurred for individual projects.

Accomplishments in 1975: During 1975 some 500 community services projects are in some phase of operation in the States. All of these projects are supported by funds appropriated in fiscal year 1974. Approximately 350,000 adults are being served by more than 570 participating colleges and universities. The $900,000 released for this program in fiscal year 1975 is being used for Title I State agency administration.

The program of special projects in FY 1975 is supporting 11 institutional projects experimenting with innovative methods materials and systems for continuing education with funds appropriated in FY 1974.

Objectives for 1976: In order to concentrate support for higher education on only the most critical institutional aid programs, so that scarce resources can be targeted to student aid, no funds are requested for this program. States and localities should assume responsibility for community service programs.

Program Purpose and Accomplishments

Activity: Aid to land-grant colleges
(1) Permanent Appropriation (Second Morrill Act, 1890, 7 U.S.C. 324)
(2) Bankhead-Jones Act, as amended Section 22

	1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
	2,700,000 1/	2,700,000 1/	2,700,000 1/	---
	9,500,000 2/	--- 2/	12,460,000 2/	---
Total	12,200,000	2,700,000	15,160,000	---

Purpose: To support instruction in agriculture, the mechanic arts, the English language, and various branches of the sciences, the Second Morrill Act of 1890, as amended, provides a permanent annual appropriation of $2,700,000 to be allotted, $50,000 to each State, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands, and the Bankhead-Jones Act, as amended, authorizes an annual appropriation of $12,460,000.

Explanation: The Permanent Appropriation (Second Morrill Act of 1890, as amended,) gives each State, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands an appropriation of $50,000. The Bankhead-Jones Act, as amended, provides uniform grants of $150,000 to each State, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. The balance of this appropriation is then divided by a formula, based on population, which gives each of the above entities a variable grant.

Accomplishments in 1975: Fifty-four land-grant jurisdictions will share the $2,700,000 in grants with $50,000 to each jurisdiction.

Objectives for 1976: Bankhead-Jones funds and the permanent appropriations are a relatively minor source of funds for these colleges and universities, which include some of the strongest and most prestigious institutions of learning in the country. The smaller and poorer land-grant institutions, particularly the predominantly black land-grant institutions in the South, will continue to be aided by the developing institutions program (Title III of the Higher Education Act of 1965). As a consequence, no funds are requested for 1976; it is proposed that legislation will be submitted to repeal the permanent land-grant program (Second Morrill Act) and the annual appropriation (Bankhead-Jones).

1/ Permanent appropriation, Second Morrill Act

2/ Bankhead-Jones Act; the FY 1975 appropriation of $9,500,000 has been requested for rescission.

Program Purpose and Accomplishments

Activity: State Postsecondary Education Commissions (HEA Section 1202 and 1203 and GEPA Section 421)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$3,000,000	$800,000	Indefinite	--

Purpose: This program has a dual purpose: (a) comprehensive State planning of postsecondary education and (b) State administration of certain Federal programs. In both cases, grants are discretionary. Section 1203 of the Higher Education Act authorized appropriation for comprehensive planning grants to be administered by State agencies established under Sec. 1202 of the Act. Those agencies would administer Federal grants awarded under Title X (Community Colleges and Occupational Education), and could be designated (by the State) to administer Community Services and Continuing Education Programs (Title I of the Higher Education Act), the Undergraduate Equipment Program (Title VI-A of the Act), or Grants for Construction of Undergraduate Academic Facilities (Title VII-A of the Act). In States where these agencies are not designated to administer the Titles VI and VII programs, these programs are administered by the State Higher Education Facilities Commission. A portion of the appropriated funds is authorized by Section 1202(c), HEA, and Section 421(b), GEPA, to be used to support costs incurred by the State Commissions in addministration of the Titles VI and VII programs. Funds for State administration of Title I of the Higher Education Act are appropriated under the University community services program.

Explanation: Grants are discretionary, that is, there is no statutory formula for distribution among the States.

Accomplishments in 1975: In fiscal year 1975, $3,000,000 was appropriated for State planning of postsecondary education and for State agency costs of administering programs of Federal grants for undergraduate construction (HEA VII-A) and undergraduate equipment (HEA VI-A). Of the amounts appropriated, $800,000 was made available for State administration and $2,200,000 is requested for recission. The proposed rescission would eliminate support for comprehensive planning as well as fourth quarter support of State agency administration.

Objectives for 1976: No funds are requested for state planning since that is regarded as a State responsibility. No funds are requested for State administration of Federal programs, since no funds are requested for those Federal programs and program funds appropriated in 1975 are requested for rescission.

Program Purpose and Accomplishments

Activity: Veterans' cost-of-instruction program (Title IV of the Higher Education Act as amended)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$23,750,000	---	Indefinite	---

Purpose: To encourage postsecondary institutions to recruit veterans and to provide special services for them. This program authorizes appropriations for grants to institutions which increase their enrollment of veterans by 10% over this preceding academic year or whose enrollments constitutes 10 percent or more of their total undergraduate enrollment.

Explanation: To qualify for assistance, each initial year applicant must exhibit either: (1) 10% growth in veteran enrollment; or more of its total enrollment. Renewal applicants must merely maintain the veteran enrollment of the previous year. Proprietary institutions and schools of religion may not participate. The participating institution agrees to: (1) maintain a full-time office of veterans' affairs; (2) actively recruit veterans; (3) offer a comprehensive program of peer and professional counseling; (4) develop programs of remedial and tutorial services for veterans; and (5) provide a multi-purpose program of community outreach services. Schools with less than 2,500 students and fewer than 70 veterans may enter into a consortium agreement and may offer only limited programs, including items (1), (2), and (3) above.

At full funding the institution would be "entitled" to a payment of $300 for each undergraduate veteran enrolled (FTE), and to a bonus payment of $150 for each enrolled veteran who has been the recipient of certain VA benefits designed to assist the educationally disadvantaged veteran. There "entitlements" are prorated down to the level of funds appropriated.

Accomplishments in 1975: In fiscal year 1975, $23,750,000 was appropriated. These funds are proposed for rescission under Section 1012 of the Impoundment Control Act (P.L. 93-344).

Objective for 1976: No funds are requested for this program in fiscal year 1976. The high point for returning veterans has passed, and programs have been established in the institutions.

Program Purpose and Accomplishments

Activity: Cooperative education programs (Higher Education Act, Title IV, Part C)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$10,750,000	$10,750,000	$10,750,000	$8,000,000

Purpose: To plan, establish, carry out, or expand cooperative education programs developed in conjunction with business and industry, Title IV-C of the Higher Education Act authorizes $10,000,000 for the Commissioner of Education to award grants to institutions of higher education. An additional $750,000 is authorized for research and training in connection with the program.

Explanation: After an institution has met eligibility requirements established by the Commissioner, its proposal is evaluated by a panel of consultants drawn from the academic community, business, industry and government. An institution may receive grants for up to three years to carry out its proposal. However, all awards made under this title including continuing awards are competing. Final funding decisions rest with the Office of Education. The maximum annual award is $75,000. Federal funds do not pay student salaries; students are paid by employers.

Accomplishments in 1975: Approximately 75 new institutions and 275 institutions which received awards in 1975, will be given funds for the academic year 1975-76 to administer new or continuing cooperative education programs, to train personnel to implement and strengthen these programs, and to support research to provide directions for these programs.

Objectives for 1976: The requested appropriation level of $8,000,000 would enable 230 institutions to plan, establish, carry out, or expand programs of cooperative education during fiscal year 1976. Of these institutions, 100 would receive initial year grants while 130 would continue to receive support for programs initiated in prior years.

Program Purpose and Accomplishments

Activity/Subactivity: College Teacher Fellowships (Higher Education Act of 1965, Title IX, Part B; formerly National Defense Education Act of 1958, Title IV).

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$4,000,000	$4,000,000	1/	$1,000,000

1/ Amount needed to fund 7,500 fellowships plus continuations.

Purpose: To prepare college teachers, Section 922 of Title IX-B of the Higher Education Act authorized the Commissioner of Education to award during fiscal year ending June 30, 1973, and each of the two succeeding fiscal years, up to 7,500 three-year fellowships for study in graduate programs in institutions of higher education.

Explanation: This is a discretionary grant program. With the assistance of academic experts recruited from colleges and universities, the Office of Education allots a specified number of fellowships to institutions of higher education in approved programs. Institutions select the fellows and award stipends of $3,000 per year for the fellow, $500 per year for each qualified dependent, and $3,000 per year cost-of-education allowance.

Accomplishments in 1975: The 1975 appropriation of $4,000,000 can support 610 fellows during 1975-76 academic year. The only persons now eligible to hold these fellowships are veterans who have returned to re-claim the unused portion of the fellowships they resigned for military service. A survey is now being made to determine how many have returned. No new fellowships were awarded.

Objectives for 1976: To enable veterans to resume fellowships interrupted by service, $1,000,000 is requested for 1976. During 1976, as in 1975, the only fellows supported will be veterans who have been reinstated to their fellowships upon return from military service. No new fellowships will be awarded. The program was established to help fill an urgent need for college teachers at the doctor of philosophy level. In general, there appears, now, to be a surplus.

Activity: Training for the disadvantaged (Higher Education Act Title IX, Part D)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$750,000	$750,000	$1,000,000	$750,000

Purpose: To help people from disadvantaged backgrounds undertake training for the legal profession, the Commissioner is authorized, by section 966 of the Higher Education Act to award grants or contracts to public and private organizations other than institutions of higher education. The Congress intended that this program fund the Council on Legal Education Opportunity (CLEO) program which was transferred from the Office of Economic Opportunity to DHEW for administration and was funded during 1974-75 with funds appropriated to the Office of Education.

The Council on Legal Education Opportunity was established to bring about a significant increase in the number of lawyers from minority and disadvantaged groups. For six years this program has been directed toward achieving this objective.

Explanation: This is a non-competitive project grant to CLEO, with no matching requirements. The program is forward funded and a part of the money is spent over a period of two years (multi-year grant).

Accomplishments in 1975: The 1975 appropriation will support 266 first year students (during 1975-76), and the second and third years of a group that will begin with 168 and tapers off to 151. It also includes $165,000 for CLEO administrative expenses.

Objectives for 1976: To continue the CLEO program, the 1976 request would fund the first year for 180 students and the second and third year for a group that would number 213 at the outset, but decrease to 192 as the result of drop-outs. The request includes $165,000 for CLEO administrative costs.

Activity: Allen J. Ellender Fellowships (Public Law 92-506)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$500,000	$500,000	$500,000	$500,000

Purpose: To assist the Close Up Foundation of Washington, D.C. in carrying out its program of increasing the understanding of the Federal Government among secondary school students, teachers, and the communities they represent, P.L. 92-506 authorizes annual appropriation of up to $500,000.

Explanation: Federal funds are awarded to the Close Up Foundation who in turn awards fellowships to secondary students and their teachers. The students and teachers come to Washington, D.C. for a one-week program, meeting with leaders from the three branches of the Federal Government.

Accomplishments in 1975: In fiscal year 1975 the Close Up Foundation used $500,000 in Federal funds to support about 1,500 fellowships to secondary students and their teachers.

Objectives for 1976: To continue the program at the 1975 level, $500,000 is requested in fiscal year 1976.

Activity: Public service fellowships (Higher Education Act Title IX, Part C)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
$4,000,000	---	1/	---

1/ Part A authorizes $50,000,000 for financial assistance to institutions of higher education. Part C authorizes amounts needed to fund up to 500 public service fellowships.

Purpose: To expand and improve the training of persons for the public services, Title IX Part C of the Higher Education Act authorizes post-baccalaureate fellowships. Part A of Title IX authorizes institutional grants for this and other purposes.

Explanation: Although the 1975 appropriation for this program is proposed for rescission, criteria for funding and guidelines have been developed and are scheduled for publication in the Federal Register, as required by law. It is proposed that the program would be forward funded. Under Part A, discretionary awards are authorized to institutions of higher education to establish, strengthen and improve programs designed to prepare graduate and professional students for public service careers. Under Part B, an approved program would have a number of fellowships allocated to it, and the institution would nominate students for the fellowships. All applications would be reviewed by knowledgeable persons from the academic world and local, State, and Federal Government.

Accomplishments in 1975: Funds were appropriated for this activity for the first time in fiscal year 1975. Under the provision of the Congressional Budget and Impoundment Control Act of 1974, rescission of the $4,000,000 appropriated has been proposed to the Congress.

Objectives for 1976: No Federal funds are requested for this program in fiscal year 1976. The fiscal year 1976 budget places priority on programs which help equalize postsecondary educational opportunities through broader student assistance programs which provide students the opportunity to determine the selection of institution and area of study that will best meet their individual needs. The 1976 budget includes, for the first time, $10 million to establish the Harry S. Truman Scholarship Fund which is expected to award 53 scholarships to students wishing to pursue public service careers during academic year 1976-77. This program will be managed by an independent agency and funding for it is not a part of the HEW budget.

Activity: Mining fellowships (Higher Education Act Title IX, Part D)

		1976	
1975 Estimate	1975 Revised	Authorization	Budget Estimate
$1,500,000	---	1/	---

1/ Amount needed to fund up to 500 fellowships.

Purpose: To assist graduate students of exceptional ability and demonstrated financial need to undertake advanced study in domestic mining, mineral, and mineral fuel conservation, including oil, gas, coal and oil shale and uranium, Title IX, Part D of the Higher Education Act authorizes the Commissioner of Education to award up to 500 mining fellowships.

Explanation: Although the 1975 appropriation for this program is proposed for rescission, criteria for funding and guidelines have been developed and are scheduled for publication in the Federal Register, as required by law. It is proposed that the program would be forward funded. Institutions of Higher Education would apply to the Office of Education. An approved program would have a number of fellowships allocated to it, and the institution will select students for the fellowships. All applications would be reviewed by knowledgeable persons from the academic world and local, State, and Federal Government.

Accomplishments in 1975: Funds were appropriated for this activity for the first time in fiscal year 1975. Under the provision of the Congressional Budget and Impoundment Control Act of 1974, rescission of the $1,500,000 appropriated has been proposed to the Congress.

Objectives for 1976: No Federal funds are requested for this program in fiscal year 1976. The fiscal year 1976 budget places priority on programs which help equalize postsecondary educational opportunities through broader student assistance programs which provide students the opportunity to determine the selection of institution and area of study that will best meet their individual needs.

Activity: Ethnic heritage studies (Elementary and Secondary Education Act, Title IX)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$1,800,000	---	$15,000,000	---

Purpose: To provide for a greater understanding of the contributions of one's own ethnic heritage and the ethnic heritage of others to intercultural understanding and enrichment among the culturally diverse population of the United States in order to "contribute to a more harmonious, patriotic, and committed populace," Title IX of the Elementary and Secondary authorizes grants to public and private nonprofit educational agencies, institutions, and organizations. The Ethnic Heritage Studies program authorizes the Commissioner of Education to make grants to and contracts with public and private nonprofit educational agencies, institutions, and organizations to assist them in planning, developing, establishing, and operating ethnic heritage studies programs.

Explanation: Under this discretionary grant program, applications are accepted from public or private non-profit educational agencies, institutions or organizations. These include ethnic, community, or professional associations as well as local and State educational agencies and higher education institutions. After evaluation of proposals by Office of Education personnel and outside specialists, the Commissioner makes grants which focus on the development of curriculum materials, the dissemination of curriculum materials, or the training of persons to use the materials developed under the program.

Accomplishments in 1975: In fiscal year 1975, $1,800,000 was appropriaated to support grants under this program. Rescission of the total amount appropriated has been requested.

Objectives for 1976: No funds are requested for this program in fiscal year 1976. Other educational authorities may be used to provide sources of funds for ethnic studies programs. Curriculum materials, for example, can be developed and disseminated by the National Institute of Education and the Office of Education within their present authorities. Assistance is provided in the 1976 budget for bilingual-bicultural programs benefiting several ethnic groups. Assistance is also provided for developing institutions of higher education enrolling large numbers of minority students. These institutions are able to provide special programs in ethnic studies.

Higher Education

Student Assistance
Supplemental Educational Opportunity Grants

State or Outlying Area	1974 Actual	1975 Estimated	1975 Revised	1976 Estimate
TOTAL	$210,300,000 1/	$124,940,000 2/	$124,940,000 2/	$ ---
Alabama	3,280,148	1,763,688	1,763,688	---
Alaska	272,872	113,743	113,743	---
Arizona	1,742,842	1,581,923	1,581,923	---
Arkansas	1,404,695	671,913	671,913	---
California	23,201,591	15,197,903	15,197,903	---
Colorado	2,713,925	1,612,893	1,612,893	---
Connecticut	2,459,504	1,520,939	1,520,939	---
Delaware	568,134	380,936	380,936	---
Florida	5,011,315	3,271,535	3,271,535	---
Georgia	2,961,468	2,110,107	2,110,107	---
Hawaii	731,102	483,879	483,879	---
Idaho	807,340	402,293	402,293	---
Illinois	10,264,971	5,410,347	5,410,347	---
Indiana	4,499,967	2,599,999	2,599,999	---
Iowa	3,514,321	1,424,347	1,424,347	---
Kansas	2,432,820	1,302,770	1,302,770	---
Kentucky	2,459,776	1,435,039	1,435,039	---
Louisiana	3,380,432	1,733,782	1,733,782	---
Maine	4,117,104	441,016	441,016	---
Maryland	3,443,446	1,826,909	1,826,909	---
Massachusetts	8,287,816	4,053,186	4,053,186	---
Michigan	8,542,452	4,608,619	4,608,619	---
Minnesota	6,479,860	2,404,630	2,404,630	---
Mississippi	3,014,433	1,011,618	1,011,618	---
Missouri	3,917,734	2,174,313	2,174,313	---
Montana	657,242	385,655	385,655	---
Nebraska	1,479,328	839,062	839,062	---
Nevada	274,696	284,330	284,330	---
New Hampshire	1,366,850	449,079	449,079	---
New Jersey	4,637,223	2,856,082	2,856,082	---
New Mexico	1,326,078	602,165	602,165	---
New York	16,776,793	9,990,273	9,990,273	---
North Carolina	4,888,297	2,692,924	2,692,924	---
North Dakota	1,545,331	365,687	365,687	---
Ohio	8,879,215	4,626,269	4,626,269	---
Oklahoma	2,422,609	1,577,285	1,577,285	---
Oregon	3,523,292	1,456,167	1,456,167	---
Pennsylvania	9,351,464	5,214,385	5,214,385	---
Rhode Island	1,098,792	605,631	605,631	---
South Carolina	2,166,194	1,294,289	1,294,289	---

	1974 1/ Actual	1975 2/ Estimated	1975 2/ Revised	1976 Estimate
South Dakota	1,520,294	351,610	351,610	---
Tennessee	3,627,289	1,997,793	1,997,793	---
Texas	9,369,706	6,059,083	6,059,083	---
Utah	1,618,475	955,299	955,299	---
Vermont	1,604,083	327,098	327,098	---
Virginia	3,372,398	2,227,949	2,227,949	---
Washington	4,601,442	2,237,508	2,237,508	---
West Virginia	1,663,521	801,080	801,080	---
Wisconsin	7,902,931	2,590,197	2,590,197	---
Wyoming	417,858	189,841	189,841	---
District of Columbia	1,435,879	849,714	849,714	---
American Samoa	---	6,809	6,809	---
Guam	37,168	35,218	35,218	---
Puerto Rico	3,000,222	1,023,914	1,023,914	---
Trust Territories	---	1,780	1,780	---
Virgin Islands	25,262	13,497	13,497	---
Set-aside (10%)		12,494,000	12,494,000	---

1/ This is the amount for total distribution which includes continuing and initial awards.

2/ This is the amount for initial awards only.
Estimated distribution of 90% of $124,940,000 on the basis of the total of full-time and full-time equivalent degree-credit and nondegree-credit enrollment in institutions of higher education and the adjusted full-time and full-time equivalent enrollment in proprietary schools, Fall 1973/1974.

Higher Education

Student Assistance
Work-Study

	1974 Actual	1975 1/ Estimate	1975 1/ Revised	1976 2/ Estimate
TOTALS	$270,200,000	$270,330,400	$270,330,400	$250,000,000
Alabama	5,802,379	5,912,008	5,912,008	4,921,708
Alaska	328,147	413,419	413,419	344,169
Arizona	2,501,650	2,966,437	2,966,437	2,469,540
Arkansas	3,357,696	3,080,916	3,080,916	2,564,843
California	24,470,621	26,064,590	26,064,590	21,698,600
Colorado	3,528,615	3,279,868	3,279,868	2,730,468
Connecticut	2,952,771	3,247,984	3,247,984	2,703,925
Delaware	622,973	738,661	738,661	614,931
Florida	7,377,272	8,374,757	8,374,757	6,971,931
Georgia	6,390,308	6,715,616	6,715,616	5,590,707
Hawaii	1,093,507	1,010,020	1,010,020	840,835
Idaho	929,822	965,655	965,655	803,901
Illinois	13,720,581	12,237,730	12,237,730	10,187,830
Indiana	5,402,896	5,888,894	5,888,894	4,902,466
Iowa	3,925,939	3,513,003	3,513,003	2,924,552
Kansas	2,847,222	2,959,585	2,959,585	2,463,836
Kentucky	4,772,275	5,042,856	5,042,856	4,198,143
Louisiana	6,076,438	6,730,205	6,730,205	5,602,851
Maine	2,726,098	1,291,772	1,291,772	1,075,392
Maryland	4,036,470	4,527,974	4,527,974	3,769,509
Massachusetts	11,391,785	7,046,931	7,046,931	5,866,524
Michigan	9,583,917	10,141,446	10,141,446	8,442,687
Minnesota	6,295,407	5,152,161	5,152,161	4,289,140
Mississippi	4,885,174	4,788,857	4,788,857	3,986,693
Missouri	5,425,768	5,700,191	5,700,191	4,745,371
Montana	2,100,797	989,273	989,273	823,563
Nebraska	2,022,807	1,920,595	1,920,595	1,598,883
Nevada	450,254	539,160	539,160	448,847
New Hampshire	1,513,875	919,535	919,535	765,506
New Jersey	6,229,968	7,100,833	7,100,833	5,911,397
New Mexico	1,798,513	1,982,351	1,982,351	1,650,294
New York	19,263,427	21,795,303	21,795,303	18,144,446
North Carolina	8,181,440	7,495,604	7,495,604	6,240,042
North Dakota	1,314,528	934,035	934,035	777,579
Ohio	11,059,161	11,932,329	11,932,329	9,933,586
Oklahoma	3,522,127	3,786,337	3,786,337	3,152,101
Oregon	3,923,669	2,828,069	2,828,069	2,354,349
Pennsylvania	12,090,662	13,098,512	13,098,512	10,904,426
Rhode Island	1,150,241	1,199,728	1,199,728	998,767
South Carolina	4,483,023	4,419,109	4,419,109	3,678,880

	1974 Actual	1975 Estimate[1/]	1975 Revised[1/]	1976 Estimate[2/]
South Dakota	1,185,126	1,079,931	1,079,931	899,036
Tennessee	5,964,544	5,978,057	5,978,057	4,976,693
Texas	14,207,485	15,834,246	15,834,246	13,181,907
Utah	1,714,341	1,739,239	1,739,239	1,447,905
Vermont	748,699	643,131	643,131	535,402
Virginia	5,605,999	5,942,413	5,942,413	4,947,020
Washington	4,666,872	4,420,981	4,420,981	3,680,437
West Virginia	2,934,188	2,669,108	2,669,108	2,222,015
Wisconsin	7,240,035	5,562,842	5,562,842	4,631,029
Wyoming	564,253	419,742	419,742	349,432
District of Columbia	1,879,027	1,304,401	1,304,401	1,085,906
Outlying Areas	3,932,208	6,004,000	6,004,000	5,000,000
Set-aside (10%)	---	---	---	24,450,000
Set-aside for children from outlying areas who are attending school in the States	---	---	---	500,000

[1/] Estimated distribution of $300,200,000 with 2% reserved for the outlying areas, $500,000 reserved for students from American Samoa and the Trust Territories, and 90% of the balance distributed 1/3 on the basis of the total of full-time degree-credit and nondegree credit and adjusted full-time enrollment in proprietary schools; 1/3 on total estimated high school graduates; 1/3 on "related children under 18" in families with income under $3,000.

[2/] Estimated distribution of $250,000,000 with 2% reserved for the outlying areas, $500,000 reserved for students from American Samoa and the Trust Territories, and 90% of the balance distributed 1/3 on the basis of the total of full-time degree-credit and nondegree-credit enrollment in institutions of higher education, and the adjusted full-time enrollment in proprietary schools; 1/3 on total estimated high school graduates; 1/3 on "related children under 18" in families with income under $3,000.

Higher Education

Direct Student Loans (HEA IV, Part E)

State or Outlying Area	1974 Actual	1975 1/ Estimate	1975 1/ Revised	1976 Estimate
TOTAL	$286,000,000	$321,000,000	$321,000,000	$ ---
Alabama	4,338,937	4,612,804	4,612,804	---
Alaska	181,975	219,900	219,900	---
Arizona	3,024,104	3,958,741	3,958,741	---
Arkansas	2,278,599	1,868,177	1,868,177	---
California	30,974,383	33,901,016	33,901,016	---
Colorado	4,163,575	4,365,878	4,365,878	---
Connecticut	3,788,211	3,841,309	3,841,309	---
Delaware	746,882	941,903	941,903	---
Florida	7,857,268	8,258,338	8,258,338	---
Georgia	4,912,795	5,591,681	5,591,681	---
Hawaii	1,244,842	1,294,157	1,294,157	---
Idaho	1,216,073	1,100,454	1,100,454	---
Illinois	14,259,807	13,486,159	13,486,159	---
Indiana	7,505,689	7,106,194	7,106,194	---
Iowa	5,081,519	4,098,433	4,098,433	---
Kansas	4,115,767	3,498,340	3,498,340	---
Kentucky	4,107,306	3,897,725	3,897,725	---
Louisiana	4,850,248	4,767,336	4,767,336	---
Maine	1,188,932	1,193,347	1,193,347	---
Maryland	4,449,950	4,449,195	4,449,195	---
Massachusetts	10,536,762	10,819,087	10,819,087	---
Michigan	12,717,572	11,374,164	11,374,164	---
Minnesota	6,351,013	6,714,602	6,714,602	---
Mississippi	3,287,256	2,821,561	2,821,561	---
Missouri	6,671,937	5,701,445	5,701,445	---
Montana	1,228,606	1,115,916	1,115,916	---
Nebraska	2,710,066	2,199,292	2,199,292	---
Nevada	443,037	705,877	705,877	---
New Hampshire	1,237,390	1,278,613	1,278,613	---
New Jersey	5,713,568	7,026,152	7,026,152	---
New Mexico	1,569,423	1,589,001	1,589,001	---
New York	23,769,772	25,511,857	25,511,857	---
North Carolina	6,784,369	7,360,375	7,360,375	---
North Dakota	1,343,409	1,060,702	1,060,702	---
Ohio	13,590,565	12,365,518	12,365,518	---
Oklahoma	4,481,824	4,119,698	4,119,698	---
Oregon	3,945,685	3,692,789	3,692,789	---
Pennsylvania	14,267,339	14,066,645	14,066,645	---
Rhode Island	1,507,110	1,514,347	1,514,347	---
South Carolina	2,694,954	3,450,256	3,450,256	---

	1974 Actual	1975 1/ Estimate	1975 1/ Revised	1976 Estimate
South Dakota	1,324,053	1,011,416	1,011,416	---
Tennessee	5,322,390	5,404,818	5,404,818	---
Texas	15,329,913	15,934,408	15,934,408	---
Utah	2,266,472	2,669,766	2,669,766	---
Vermont	903,308	922,047	922,047	---
Virginia	4,919,078	5,604,573	5,604,573	---
Washington	5,822,956	5,805,239	5,805,239	---
West Virginia	2,688,054	2,134,503	2,134,503	---
Wisconsin	7,313,705	6,891,103	6,891,103	---
Wyoming	577,084	468,899	468,899	---
District of Columbia	2,169,352	2,107,435	2,107,435	---
American Samoa	---	14,136	14,136	---
Canal Zone	---	20,353	20,353	---
Guam	13,500	88,665	88,665	---
Puerto Rico	2,191,555	2,856,256	2,856,256	---
Trust Territory	---	4,974	4,974	---
Virgin Islands	20,061	22,425	22,425	---
Set-aside (10%)	---	32,100,000	32,100,000	---

1/ Estimated distribution of 90% of $321,000,000 on the basis of the total of full-time degree-credit and nondegree credit enrollment in institutions of higher education and adjusted full-time enrollment in proprietary schools.

Higher Education

State Student Incentive Grants

	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$19,000,000	$20,000,000	$20,000,000	$44,000,000
Alabama	---	262,149	262,149	576,728
Alaska	---	27,333	27,333	60,133
Arizona	---	285,628	285,628	628,381
Arkansas	110,408	110,937	110,937	244,062
California	2,981,391	3,036,648	3,036,648	6,680,624
Colorado	280,095	272,823	272,823	600,211
Connecticut	284,087	280,921	280,921	618,027
Delaware	56,841	59,710	59,710	131,362
Florida	564,055	581,028	581,028	1,278,262
Georgia	306,116	303,017	303,017	666,637
Hawaii	---	88,087	88,087	193,792
Idaho	34,000	72,753	72,753	160,056
Illinois	1,054,668	1,027,576	1,027,576	2,260,667
Indiana	436,736	413,646	413,646	910,022
Iowa	237,372	225,885	225,885	496,946
Kansas	233,884	223,278	223,278	491,212
Kentucky	234,540	228,933	228,933	503,653
Louisiana	---	279,528	279,528	614,962
Maine	74,937	74,662	74,662	164,257
Maryland	364,316	366,404	366,404	806,089
Massachusetts	698,027	687,984	687,984	1,513,566
Michigan	881,800	881,056	881,056	1,938,323
Minnesota	342,617	337,496	337,496	742,491
Mississippi	164,366	170,139	170,139	374,306
Missouri	409,502	399,320	399,320	878,505
Montana	57,730	56,463	56,463	124,218
Nebraska	143,166	136,489	136,489	300,276
Nevada	35,363	41,430	41,430	91,146
New Hampshire	61,833	69,034	69,034	151,875
New Jersey	522,296	527,810	527,810	1,161,182
New Mexico	99,290	100,948	100,948	222,085
New York	1,844,132	1,868,439	1,868,439	4,110,564
North Carolina	406,453	422,966	422,966	930,526
North Dakota	64,578	60,892	60,892	133,963
Ohio	846,230	820,302	820,302	1,804,665
Oklahoma	264,986	260,359	260,359	572,790
Oregon	267,180	273,542	273,542	601,793
Pennsylvania	879,800	910,835	910,835	2,003,836
Rhode Island	108,440	113,934	113,934	250,656
South Carolina	203,415	199,452	199,452	438,795

	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
South Dakota	62,620	54,836	54,836	120,640
Tennessee	319,392	320,156	320,156	704,343
Texas	1,057,336	1,041,227	1,041,227	2,290,697
Utah	168,466	166,317	166,317	365,898
Vermont	55,720	57,269	57,269	125,992
Virginia	382,689	399,494	399,494	878,887
Washington	418,713	412,311	412,311	907,084
West Virginia	137,878	140,968	140,968	310,130
Wisconsin	472,294	457,369	457,369	1,006,211
Wyoming	36,141	37,044	37,044	81,497
District of Columbia	164,768	166,026	166,026	365,257
American Samoa	1,829	1,879	1,879	4,133
Canal Zone	---	---	---	---
Guam	---	7,090	7,090	15,597
Puerto Rico	163,421	174,430	174,430	383,746
Trust Territory	261	238	238	523
Virgin Islands	3,822	3,510	3,510	7,721

Higher Education

University Community Services

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
TOTAL	$14,250,000	$ 14,250,000	$900,000	---
Alabama	225,486	227,171	16,500	---
Alaska	111,264	111,738	16,500	---
Arizona	167,008	170,899	16,500	---
Arkansas	170,211	172,525	16,500	---
California	830,030	837,200	16,500	---
Colorado	181,942	185,383	16,500	---
Connecticut	210,408	211,243	16,500	---
Delaware	120,117	120,623	16,500	---
Florida	352,808	365,358	16,500	---
Georgia	267,843	270,946	16,500	---
Hawaii	128,430	129,472	16,500	---
Idaho	126,522	127,269	16,500	---
Illinois	502,406	506,109	16,500	---
Indiana	288,715	290,919	16,500	---
Iowa	202,923	204,164	16,500	---
Kansas	181,223	181,915	16,500	---
Kentucky	217,893	219,405	16,500	---
Louisiana	232,900	235,008	16,500	---
Maine	136,419	137,057	16,500	---
Maryland	244,200	246,205	16,500	---
Massachusetts	307,357	309,339	16,500	---
Michigan	423,738	425,530	16,500	---
Minnesota	238,910	240,029	16,500	---
Mississippi	180,971	181,482	16,500	---
Missouri	269,750	271,451	16,500	---
Montana	125,551	125,860	16,500	---
Nebraska	154,268	155,188	16,500	---
Nevada	118,353	119,251	16,500	---
New Hampshire	127,278	127,955	16,500	---
New Jersey	362,885	365,430	16,500	---
New Mexico	137,606	138,863	16,500	---
New York	760,324	763,375	16,500	---
North Carolina	285,621	288,571	16,500	---
North Dakota	122,600	122,899	16,500	---
Ohio	486,464	487,255	16,500	---
Oklahoma	193,566	195,098	16,500	---
Oregon	176,976	178,917	16,500	---
Pennsylvania	528,280	529,983	16,500	---
Rhode Island	134,511	134,998	16,500	---
South Carolina	194,754	197,085	16,500	---

State or Outlying Area	1974 Actual	1975 Estimate	1975 Revised	1976 Estimate
South Dakota	124,255	124,560	16,500	---
Tennessee	243,732	247,072	16,500	---
Texas	511,258	519,111	16,500	---
Utah	139,406	140,705	16,500	---
Vermont	116,338	116,614	16,500	---
Virginia	269,858	272,101	16,500	---
Washington	223,867	223,451	16,500	---
West Virginia	163,625	164,831	16,500	---
Wisconsin	260,970	263,469	16,500	---
Wyoming	112,200	112,497	16,500	---
District of Columbia	127,098	127,161	15,000	---
American Samoa	25,977	25,981	15,000	---
Guam	28,059	28,070	15,000	---
Puerto Rico	122,598	122,953	15,000	---
Virgin Islands	27,248	27,256	15,000	---
National Advisory Council	100,000	---	---	---
Set Aside	1,425,000	1,425,000	---	---

Higher Education

Land-Grant Colleges and Universities

	1974 Actual 1/	1975 Estimate 1/	1975 Revised 2/	1976 Estimate
TOTAL	$12,200,000	$12,200,000	$2,700,000	$ ---
Alabama	223,402	223,402	50,000	---
Alaska	202,053	202,053	50,000	---
Arizona	212,043	212,043	50,000	---
Arkansas	213,068	213,068	50,000	---
California	335,575	335,575	50,000	---
Colorado	214,998	214,998	50,000	---
Connecticut	220,603	220,603	50,000	---
Delaware	203,724	203,724	50,000	---
Florida	246,132	246,132	50,000	---
Georgia	231,185	231,185	50,000	---
Hawaii	205,231	205,231	50,000	---
Idaho	204,845	204,845	50,000	---
Illinois	275,516	275,516	50,000	---
Indiana	235,289	235,289	50,000	---
Iowa	219,195	219,195	50,000	---
Kansas	215,282	215,282	50,000	---
Kentucky	221,874	221,874	50,000	---
Louisiana	224,754	224,754	50,000	---
Maine	206,752	206,752	50,000	---
Maryland	226,651	226,651	50,000	---
Massachusetts	238,656	238,656	50,000	---
Michigan	260,304	260,304	50,000	---
Minnesota	225,854	225,854	50,000	---
Mississippi	215,063	215,063	50,000	---
Missouri	231,781	231,781	50,000	---
Montana	204,718	204,718	50,000	---
Nebraska	210,082	210,082	50,000	---
Nevada	203,321	203,321	50,000	---
New Hampshire	205,012	205,012	50,000	---
New Jersey	248,706	248,706	50,000	---
New Mexico	206,903	206,903	50,000	---
New York	323,600	323,600	50,000	---
North Carolina	234,531	234,531	50,000	---
North Dakota	204,197	204,197	50,000	---
Ohio	272,377	272,377	50,000	---
Oklahoma	217,389	217,389	50,000	---
Oregon	214,210	214,210	50,000	---
Pennsylvania	280,136	280,136	50,000	---
Rhode Island	206,453	206,453	50,000	---
South Carolina	217,602	217,602	50,000	---

	1974 Actual[1]	1975 Estimate[1]	1975 Revised[2]	1976 Estimate
South Dakota	204,527	204,527	50,000	---
Tennessee	226,663	226,663	50,000	---
Texas	276,078	276,078	50,000	---
Utah	207,197	207,197	50,000	---
Vermont	203,022	203,022	50,000	---
Virginia	231,585	231,585	50,000	---
Washington	223,164	223,164	50,000	---
West Virginia	211,851	211,851	50,000	---
Wisconsin	230,018	230,018	50,000	---
Wyoming	202,259	202,259	50,000	---
District of Columbia	205,140	205,140	50,000	---
Guam	200,578	200,578	50,000	---
Puerto Rico	218,427	218,427	50,000	---
Virgin Islands	200,424	200,424	50,000	---

1/ Includes Bankhead-Jones annual appropriation and Second Morrill Act permanent appropriation.

2/ Second Morrill Act permanent appropriation.

Amounts Available for Obligation

	1976 Estimate	Estimate July 1, to Sept. 30, 1976
Appropriation	$2,005,541,000	$124,000,000
Unobligated balance, start of period	371,504,254	539,954,254
Unobligated balance, end of period	-539,954,254	-313,954,254
Total obligations	1,837,091,000	350,000,000

Obligation by Activity

	1976 Estimate	Estimate July 1, to Sept. 30, 1976
Student assistance:		
Basic opportunity grants...............	$857,800,000	$220,000,000
Subsidized insured loans..............	452,750,000	124,000,000
Other student assistance..............	302,960,000	---
Subtotal, Student assistance.......	1,613,510,000	344,000,000
Special programs for disadvantaged......	70,331,000	---
Institutional assistance:		
Construction -- subsidized loans......	23,000,000	6,000,000
Other institutional assistance........	128,000,000	---
Subtotal, Institutional assistance.........................	151,000,000	6,000,000
Personnel development....................	2,250,000	---
Total obligations..................	1,837,091,000	350,000,000

Obligations by Object

	1976 Estimate	Estimate July 1, to Sept. 30, 1976
Printing and reproduction	$2,900,000	$500,000
Other services	8,600,000	4,000,000
Investments and loans	750,000	---
Grants, subsidies, and contributions	1,821,841,000	345,150,000
Insurance claims and indemnities	3,000,000	750,000
Total obligations by object	1,837,091,000	350,000,000

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Student assistance:		
(a) Grants and work-study:		
(1) Basic opportunity grants............	$857,800,000	220,000,000
(NOA)................................	(1,050,000,000)	(---)
(2) Supplemental opportunity grants.....	---	---
(3) Work-study..........................	250,000,000	---
(b) Subsidized insured loans:		
(1) Interest on insured loans...........	452,000,000	124,000,000
(2) Reserve fund advances...............	750,000	---
(NOA)................................	(---)	---
(c) Direct loans: Teacher cancellations....	8,960,000	---
(d) Incentive grants for State scholarships.	44,000,000	---
Total, student assistance........	1,613,510,000	344,000,000
(NOA)		(124,000,000)

Narrative

For Higher Education, an appropriation of $124,000,000 is requested for the period July 1 through September 30, 1976. That amount is needed for the guaranteed student loan program to pay interest benefits, special allowance to lenders, and death and disability claims. These payments are mandatory when proper bills have been submitted, reviewed, and approved.

Other student assistance programs are forward funded; that is, amounts appropriated in one fiscal year are for assistance to students in attendance during the following fiscal year; and grants typically have been awarded during the second half of the fiscal year. It is anticipated that the grant period will continue to be July through June. Therefore, the 1976 appropriation would fund students in attendance during the interim period (July 1 through September 30, 1976) and during the first three quarters of fiscal year 1977. The 1977 appropriation would be for students in attendance from July of 1977 through June of 1978; that is, for the final final quarter of fiscal year 1977 and the first three quarters of fiscal year 1978. No appropriation, therefore, is needed for the interim budget period for forward funded programs.

In the case of Basic educational opportunity grants, substantial amounts of the 1976 appropriation will be obligated during the interim period. That is because grants are not awarded to schools in the sense that they are in the campus-based programs. About half of the appropriation is made available for basic grant payments initially, and the other half is withheld until better information is available as to how much should be added at each school to complete disbursements for the year. The full appropriation is needed in advance, however, so that a payment schedule can be formulated.

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Special programs for the disadvantaged	$70,331,000	---

Narrative

No new funds will be needed for this activity during the July 1 through September 30, 1976 period. Since the program is forward funded, grants awarded in fiscal year 1976 will be for July 1, 1976 through June 30, 1977. The 1977 appropriation will fund grants for July 1, 1977 through June 30, 1978; that is, for the last quarter of fiscal year 1977 and the first three quarters of 1978.

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Institutional assistance:		
(a) Strengthening developing institutions..	$110,000,000	---
(b) Construction:		
(1) Subsidized loans..................	23,000,000	6,000,000
(NOA)	(---)	(---)
(c) Language training and area studies:		
(1) NDEA VI program....................	8,640,000	---
(d) Cooperative education.................	8,000,000	---
Total, institutional assistance..	151,000,000	6,000,000

Narrative

No appropriation is requested for institutional assistance during the interim budget period (July 1 through September 30, 1976). The obligations expected for construction, subsidized loans will be funded by prior year appropriations. Available prior year funds were released by a revised accounting system which calls for obligating funds in the year payments are due. For the other Institutional assistance programs, Strengthening developing institutions, Language training and area studies, and Cooperative education, grants awarded in 1976 cover the interim period and at least the first three quarters of fiscal year 1977. The advanced component of the developing institution program, as explained in the 1976 justification, provides 3 to 5 year grants.

	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Personnel development:		
(a) College teacher fellowships..........	$1,000,000	---
(b) Fellowships for disadvantaged........	750,000	---
(c) Ellender fellowships.................	500,000	---
Total, Personnel development...	2,250,000	---

Narrative

No appropriation is requested for Personnel development during the interim budget period (July 1 through September 30, 1976). All of the programs are forward funded, and grants awarded in fiscal year 1976 will be for a grant period covering the interim period and for the first three quarters of fiscal year 1977.

Appropriation Estimate

Educational Activities Overseas
(Special Foreign Currency Program)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Office of Education, as authorized by law, [$1,000,000,] *$2,000,000*, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to such office, for payments in the foregoing currencies.

For "Educational activities overseas, (special foreign currency program)" for the period July 1, 1976, through September 30, 1976, $200,000, to remain available until expended.

Amounts Available for Obligation

	1975 Revised	1976
Appropriation	$1,000,000	$2,000,000
Unobligated balance, start of year	417,494	---
Total, obligations	1,417,494	2,000,000

Summary of Changes

1975 Estimated obligations	1,417,494
1976 Estimated obligations	2,000,000
Net change	+ 582,506

Increases:

Program:

1. Grants to American institutions	1,417,494	+ 582,506
Total, net change		+ 582,506

Explanation of Changes

Decreases:

Program:

1. Grants to American Institutions:

The budget request of $2,000,000 for fiscal year 1976 is an increase of $1,000,000 above the amount which was appropriated in fiscal year 1975, and an increase of $582,506 above the 1975 obligational authority. In fiscal year 1975 the amount available for obligations includes $417,494 in unobligated carryover from fiscal year 1974.

Obligations by Activity

Page Ref.		1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
	Grants to American institutions (Total obligations)............	$1,417,494	$1,417,494	$2,000,000	$+582,506

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Travel and transportation of persons....................	$ 8,000	$ 8,000	$ 10,000	$+ 2,000
Other services...............	80,000	80,000	82,000	+ 2,000
Grants, subsidies and contributions..............	1,329,494	1,329,494	1,908,000	+578,506
Total obligations by object...............	$1,417,494	$1,417,494	$2,000,000	$+582,506

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation request
Mutual Educational and Cultural Exchange Act of 1961 (P.L. 87-256; Sections 102(b)(6) and 105(d)...............................	Indefinite	$ 2,000,000
Agricultural Trade Development and Assistance Act of 1954; Section 104, (b)(2) and (3), Special Foreign Currency................................	Indefinite	

Educational Activities Overseas
(Special Foreign Currency Program)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$1,000,000	$1,000,000	$1,000,000	$1,000,000
1967	1,800,000	1,800,000	1,000,000	1,000,000
1968	7,400,000	4,600,000	---	---
1969	4,000,000	1,000,000	1,000,000	1,000,000
1970	1,000,000	1,000,000	1,000,000	1,000,000
1971	3,000,000	3,000,000	3,000,000	3,000,000
1972	3,000,000	3,000,000	4,000,000	3,000,000
1973	5,000,000	3,000,000	3,000,000	3,000,000
1974	3,000,000	2,000,000	1,000,000	1,000,000
1975	1,000,000	1,000,000	1,000,000	1,000,000
1976	2,000,000			

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Educational Activities Overseas: (Special foreign currency program)				
Appropriation....................	$1,000,000	$1,000,000	$2,000,000	+1,000,000
Obligations......................	1,417,494	1,417,494	2,000,000	+ 582,506
New Awards.................	51	51	69	+ 18

General Statement

U.S.-owned excess foreign currency is used to strengthen American education through research and training abroad sponsored by American institutions. Projects focus on foreign languages, area studies, world affairs, and intercultural understanding and are designed to expand and improve the professional competence of American educators, to produce new knowledge through research, and to develop improved curricula and instructional materials for all levels of American education.

Narrative

Program Purpose

The objective of this program is to use the foreign currencies, which are declared by Treasury to be in excess of U.S. Government operational needs, to help develop American capabilities in international and intercultural education through selected research and training activities abroad. Funds are currently available in Egypt, India, Pakistan, Poland and Tunisia.

Discretionary grants are made to U.S. institutions of higher education, individual researchers, State and local education agencies, and non-profit educational organizations.

Sections 102(b)(6) and 105(d) of the Mutual Educational and Cultural Exchange Act (Fulbright-Hays, P.L. 87-256) and Sections 104(b)(2) and (3) of the Agricultural Trade Development and Assistance Act (P.L. 83-480) authorize the use of funds acquired from the sale of surplus agricultural commodities abroad, loan repayments, and other sources for educational purposes.

Plans for Fiscal Year 1976

A total of $2,000,000 in available foreign currencies is requested for fiscal year 1976 to fund a total of 69 individual and group projects for 766 participants. A significant number of the group projects will be geared toward assisting States to retrain teachers to meet new curriculum requirements in world cultures. Program management will stress curriculum development because of its inherent multiplier effect and will seek maximum effectiveness through encouragement of cooperative arrangements with colleges and universities, school systems, professional associations, and non-profit educational organizations. Continuing attention will be given to cost-sharing arrangements.

Specific program plans include the following:

1. Group Training and Curriculum Development--Approximately 29 awards will will help provide first-hand study and relevant educational experience in another culture as well as preparation of curriculum guides and teaching materials for improving instruction of international and intercultural studies in American schools and institutions of higher education. Group Projects will be carried out in academic year 1976-77 (beginning with summer 1976) and the 580 participants will include educators, administrators, and advanced students specializing in foreign language and area studies.

2. Advanced Language Training--Five projects will provide advanced-level language instruction and cultural orientation in special summer and year-long intensive programs in selected non-Western languages, such as Polish, Arabic, and Hindi-Urdu, for teachers and prospective teachers of foreign languages and area studies.

3. Research and Studies--Approximately 30 fellowships will be awarded for the production of new knowledge by key faculty members and by doctoral candidates engaged in dissertation research. Three research contracts will be awarded for linguistic studies or preparation of foreign language textbooks, and two contracts for the compilation of research reference materials (including bibliographies and translation of selected foreign publications on education).

Accomplishments for Fiscal Year 1974-75

In fiscal year 1974, a total of $2,266,321 was obligated, providing assistance to approximately 859 individuals participating in 79 projects conducted in India, Poland, Yugoslavia, Arab Republic of Egypt, and Pakistan during summer 1974 and academic year 1974-75.

Funds in the amount of $1,433,341 helped support 33 group projects abroad for training and curriculum development involving 665 advanced students and faculty members for all levels of the American educational spectrum; $449,147 provided 6 advanced level language training programs for 158 students; $289,475 supported 18 individual faculty and 18 doctoral research fellowships; $84,358 funded two contracts for the preparation of foreign language textbooks; and $10,000 was utilized for bibliographic projects in cooperation with the National Science Foundation.

In fiscal year 1975, an amount of $1,417,494 (which includes $1.0 million in appropriations and the remainder carryover from that fiscal year 1974 appropriation will support 51 projects in foreign languages, area studies, and world affairs. Cost-sharing requirements and cooperative institutional arrangements will maximize program impact and effectiveness. Specifically, assistance will be provided for about 21 group projects for training, curriculum development, and advanced language instruction; 14 faculty research fellowships; 14 doctoral dissertation research; and 2 educational bibliographic projects undertaken in conjunction with the National Science Foundation. Projects will be carried out during summer 1975 and academic year 1975-76.

SUPPLEMENTAL FACT SHEET

Special Foreign Currency Program
FY 1976

II. Estimated Obligations by Program Category

	1974 Actual	1975 Estimate	1976 Estimate
Group Training and Curriculum Development			
Total no. of projects............	33	18	29
No. of participants..............	665	360	580
Average cost per participant.....	$2,155	$2,246	$1,638
Total cost.......................	$1,433,341	$808,494	$950,000
Advanced Language Training			
Total no. of projects............	6	3	5
No. of participants..............	158	90	156
Average cost per participant.....	$2,843	$3,333	$3,200
Total cost.......................	$449,147	$300,000	$500,000
Research and Studies			
Doctoral Dissertation Research Abroad			
No. of projects..................	18	14	10
Average costs....................	$6,471	$7,000	$8,000
Total cost.......................	$116,480	$98,000	$80,000
Faculty Research Abroad			
No. of projects..................	18	14	20
Average cost.....................	$9,610	$11,000	$15,000
Total cost.......................	$172,995	$151,000	$300,000
Language and Area Research			
No. of projects..................	2		3
Average cost.....................	$42,179		$50,000
Total cost.......................	$84,358		$150,000
Comparative Education			
No. of projects..................	2	2	2
Average cost.....................	$5,000	$30,000	$5,000
Total cost.......................	$10,000	$60,000	$10,000

Program Purpose and Accomplishments

Activity: Grants to American institutions

	1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
Appropriation	$1,000,000	$1,000,000	Indefinite	$2,000,000
Obligations	(1,417,494)	(1,417,494)		(2,000,000)

Purpose: U. S.-owned excess foreign currency is used to strengthen American education through research and training abroad sponsored by American institutions. Projects focus on foreign languages, area studies, world affairs, and intercultural understanding and are designed to expand and improve the professional competnece of American educators, to produce new knowledge through research, and to develop improved curricula and instructional materials for all levels of American education.

Explanation: Applications are received from U.S. institutions of higher education, individual researchers, State education agencies, public school systems and non-profit education agencies. With the advice of outside consultants, the programs staff reviews projects and recommends approval to the Director of the Division of International Education. The recommended projects are forwarded to appropriate U.S. diplomatic missions and binational commissions for comment on feasibility and host country concurrence. A final review of all programs conducted under the Fulbright-Hays Act is made by the Board of Foreign Scholarships, an autonomous body appointed by the President which provides general supervision for all programs carried out under the aegis of the Act.

Accomplishments in 1975: The program will include a total of 51 projects with an estimated 478 participants. This includes 21 group projects, 14 faculty research fellowships, 14 fellowships for doctoral dissertation research, and 2 educational bibliographic projects.

Objectives for 1976: The estimate for 1976 provides for a total of 69 projects with an estimated 766 participants. This includes 34 group projects, 30 fellowships for faculty and doctoral dissertation field research, 3 research contracts and 2 educational bibliographic projects.

Amounts Available for Obligation

	1976 Estimate	July 1 - Sept. 30, 1976 Estimate
Appropriation....................	$2,000,000	$200,000

Obligations by Activity

	1976 Estimate	July 1, - Sept. 30, 1976 Estimate
Grants to American institution.....................	$2,000,000	$200,000

Obligations by Object

	1976 Estimate	July 1, - Sept. 30, 1976 Estimate
Travel and transpostation of persons.........................	$ 10,000	$ 5,000
Other services.......................	82,000	75,000
Grants, subsidies and contributions......................	1,908,000	120,000

Interum Budget

Justification

A total of $200,000 in excess foreign currencies is requested for the period July 1 - September 30, 1976. These funds will be used to support the following activities: two education seminars for elementary and secondary school teachers, one each in India and Pakistan, at a total cost of $120,000; $15,000 will be used to reimburse the Department of State for professional services rendered to Office of Education grantees abroad; $60,000 will be made available to the National Science Foundation to continue activities involving the compilation of research reference materials (including bibliographies and translations of selected foreign publications on education); and $5,000 will be used to pay travel costs and expenses for U.S. Office of Education officials performing on-site evaluations of grant projects in excess foreign currency countries.

Appropriation Estimate

STUDENT LOAN INSURANCE FUND

For the Student Loan Insurance Fund authorized by the Higher Education Act of 1965, [$115,000,000[$201,787,000, to remain available until expended.

For the "Student loan insurance fund" for the period July 1, 1976 through September 30, 1976, $30,000,000, to remain available until expended.[1]

[1] To pay default payments from the Student Loan Insurance Fund during the transition period between fiscal year 1976, which ends June 30, 1976, and fiscal year 1977, which begins October 1, 1976.

Amounts Available for Obligation

	1975 Revised	1976
Appropriation	$115,000,000	$201,787,000
Proposed supplemental	82,600,000	---
Subtotal, adjusted appropriation	197,600,000	201,787,000
Receipts and carryover balance:		
Insurance premium	3,000,000	3,200,000
Accrued interest income	6,500,000	11,800,000
Loans repaid	13,100,000	30,900,000
Unobligated balance, start of year	7,429,000	14,506,000
Unobligated balance, end of year	-14,506,000	-25,756,000
Subtotal, receipts and carryover balances	15,523,000	34,650,000
Replacement of 1974 borrowing authority	-19,031,000	---
Total, obligations	$194,092,200	$236,437,000

Summary of Changes

1975 estimated obligations	$134,000,000
Add Proposed supplemental	82,600,000
Less: Portion of supplemental required to replace 1974 borrowing authority	-19,031,000
Portion of supplemental to replace decrease in receipts	-3,477,000
Subtotal, 1975 revised obligations	$194,092,000
1976 estimated obligations	236,437,000
Net change in fundine level	$ 42,345,000

Explanation of Changes

Obligations for payments in connection with defaults are expected to total $236,437,000 in fiscal year 1976, an increase of $42,345,000 above the revised 1975 level of $194,092,000. This $236,437,000 in defaults would be supported by income and receipts into the fund of $34,650,000 and an appropriation of $201,787,000.

On an appropriation basis, the 1976 request of $201,787,000 represents an increase of $4,187,000 over the revised 1975 level of $197,600,000. The $197,600,000 appropriation level consists of $115,000,000 enacted in the regular 1975 appropriation bill and a proposed supplemental request of $82,600,000.

On a funding level basis, the 1976 appropriations request represents an actual increase of $23,218,000 over the required appropriation requested to pay 1975 claims. This is because the 1975 revised appropriation request of $197,600,000 included $19,031,000 to replace 1974 borrowing authority leaving a balance of $178,569,000 for 1975 claims. Thus, the 1976 request represents an increase of $23,218,000 over the $178,569,000 required for 1975 claims.

Budget Authority by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Federal Insurance Program..	$67,350,000	$143,750,000	$125,837,000	$-17,913,000
Federal Reinsurance Program..................	47,650,000	53,850,000	75,950,000	+22,100,000
Appropriation...........	$115,000,000	$197,600,000	$201,787,000	$+ 4,187,00-

Obligation by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Payment in connection with defaults on student loans:				
(a) Federal Insurance Program.............	$80,000,000	$134,092,000	$146,437,000	$+12,345,000
(b) Federal Reinsurance Program.............	54,000,000	60,000,000	90,000,000	+30,000,000
Total obligations..........	$134,000,000	$194,092,000	$236,437,000	$+42,345,000

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Investments and loans......	$129,510,000	$187,773,000	$228,437,000	$+40,664,000
Insurance claims and indemnities...............	4,490,000	5,927,000	8,000,000	+2,073,000
Interest and dividends.....	---	392,000	---	-392,000
Total obligations by object...................	$134,000,000	$194,092,000	$236,437,000	$+42,345,000

Authorizing Legislation

	1976	
Legislation:	Authorized	Appropriation requested
Higher Education Act:		
Title IV-B, Sections 421 and 428-431--Student Loan Insurance Fund......................................	Indefinite	$201,787,000

Student Loan Insurance Fund

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$ 550,000	$ 550,000	$ 550,000	$ 550,000
1967	3,200,000	3,200,000	3,200,000	3,200,000
1968	---	---	---	---
1969	---	---	---	---
1970	10,826,000	10,826,000	10,826,000	10,826,000
1971	18,000,000	18,000,000	18,000,000	18,000,000
1972	12,765,000	12,765,000	12,765,000	12,765,000
1973	46,640,000	46,640,000	46,640,000	46,640,000
1974	88,668,000	88,668,000	88,668,000	88,668,000
1975	115,000,000	115,000,000	115,000,000	115,000,000
1975 proposed supplemental	82,600,000			
1976	201,787,000			

Student Loan Insurance Fund

Justification

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Federal Insurance Program:				
Obligations.............	$80,000,000	$134,092,000	$146,437,000	+$12,345,000
Replacement of 1974 Borrowing Authority....	--------	19,031,000	---------	- 19,031,000
Available Receipts and Carryover..........	-12,650,000	- 9,373,000	- 20,600,000	- 11,227,000 1/
Subtotal, Budget Authority	67,350,000	143,750,000	125,837,000	- 17,913,000
Federal Reinsurance Program:				
Obligations..............	54,000,000	60,000,000	90,000,000	+ 30,000,000
Available Receipts and Carryover..............	- 6,350,000	- 6,150,000	-14,050,000	- 7,900,000 1/
Subtotal, Budget Authority	47,650,000	53,850,000	75,950,000	+ 22,100,000
Total:				
Obligations	134,000,000	194,092,000	236,437,000	+ 42,345,000
Budget Authority (appropriation)	115,000,000	197,600,000	201,787,000	+ 4,187,000

1/ Negative amounts represent increases in receipts.

General Statement

To assist in removing financial barriers to postsecondary education, a Student Loan Insurance Fund was established under Title IV of the Higher Education Act of 1965 to provide a program insuring student loans under the Guaranteed Student Loan Program.

An appropriation of $201,787,000 is requested in order to meet increased default payments.

This Fund enables the Commissioner to pay defaults out of insurance premiums, defaulted loan repayments, and other receipts, as well as from amounts appropriated for this purpose. Appropriations are made to cover default payments on both Federally insured and Federally reinsured loans.

The request for Federal interest subsidies, special allowances, and death and disability payments on these loans--the major appropriation item--is presented to the Congress under the appropriation account for Higher Education. Requirements for staffing and computer services are included in the Salaries and Expenses appropriation.

Authority and Purpose

To help students finance their postsecondary education, Title IV, Part B of the Higher Education Act of 1965 (P.L. 89-329), authorizes a program of low interest, deferred repayment loans, utilizing private capital. The law authorizes Federal payments to reduce student interest costs and to pay special allowance to lenders as warranted by money market conditions (provided under the Emergency Insured Student Loan Act of 1969 P.L. 91-95). The program includes loans made by States, loans insured directly by the Federal Government, and loans guaranteed by State and nonprofit private agencies. Most of these latter loans are reinsured up to 80 percent by the Federal Government. The law also establishes a Student Loan Insurance Fund from which defaults are paid and into which appropriations related to defaults and other receipts are deposited.

The Fund enables the Commissioner of Education, without fiscal year limitation, to make payments on unpaid principal amounts defaulted by student borrowers under the Federal Insured Student Loan Program. The liability of the Fund was substantially increased by the Higher Education Amendments of 1968, which authorizes the Commissioner to reinsure loans guaranteed by State and nonprofit private agencies to the extent of 80 percent of the principal amount of default paid by the agencies. The liability of the Fund was further increased by the Education Amendments of 1972 which provides for payment of the unpaid balance of interest as well as principal in the case of defaulted federally insured loans made under the provisions of the Amendments.

Scope of the Program

By the end of fiscal year 1976, it is expected that loan commitments totaling about $10,024,000,000 will have been made to students under this program. It is anticipated that lenders will have disbursed approximately $9,185,000,000 on these commitments by the end of 1976. Of this total, an estimated $1,492,000,000 (16.2 percent) will be disbursed in fiscal year 1976 alone. Estimated matured loans, those that have reached repayment status, will represent 55.6 percent or $5,111,000,000 of all disbursed loans by the end of 1976. Approximately 11.5 percent ($1,059,000,000) of all disbursed loans will mature in 1976. There are over 19,000 lenders and 8,700 educational institutions which are eligible for students to attend under the Guaranteed Student Loan Program.

Borrower characteristics as shown in Table I indicate that the program serves a diverse population. Through fiscal year 1973, 85 percent of the Federal Program (FP) borrowers and 71 percent of the guarantee agency (GA) borrowers came from families with gross incomes below $15,000. For the same period, 60 percent of the FP borrowers and 53 percent of the GS borrowers came from families with gross incomes below $12,000. It is interesting to note that the percentage of borrowers with incomes over $15,000 increased by 9 percent for FP borrowers as compared to 30 percent for GA borrowers for the fiscal years 1968 through 1973.

The proportion of loans to minority students is increasing. The proportion increased for FP borrowers from 4 percent of loans in 1968 to 20 percent of the loans in 1973. For GA borrowers, the proportion increased from slightly over 9 percent of the loans in 1968 to 11 percent of the loans in 1973.

Borrowers attending nondegree granting vocational institutions increased for FP from 8.2 percent in 1968 to 49.3 percent in 1973, an increase of 41.1 percent. For GA borrowers the rate remained steady with 5.3 percent in 1968 and 5.3 percent in 1973. Borrowers attending four year colleges and universities decreased by 33.9 percent for FP borrowers and only 5.7 percent for GA borrowers. Borrowers acquiring their loans in the first academic year increased by 20 percent for FP, as compared with a decrease of 2 percent for GA.

The percentage of loans for female borrowers has increased for the period by 4 percent for FP and by 3 percent for GA borrowers. The number of married borrowers has increased in the FP by 8 percent and decreased in the GA by 4 percent There is a shift in the age direction toward older borrowers in both programs, a 13 percent increase for FP and 3 percent for GA, with a significant reduction of 7 percent for both programs for the age group 17-20.

Program Operations

The principal of the student loan is provided by participating lending institutions such as commercial banks, savings and loan associations, credit unions, insurance companies, pension funds, and eligible educational institutions. Twenty-six State or nonprofit agencies and the District of Columbia administer their own guaranteed loan program. The agencies may contract with the Commissioner of Education, to reinsure 80 percent of the principal amount of the loss incurred by the agency in meeting its obligation to lenders on guaranteed loans in default. No fee is charged for the reinsurance.

The Federally insured Student Loan Program operates in the remaining States. In addition, the Act authorizes Federal insurance for lenders operating on an interstate basis for students, who by virtue of their residency, do not have access to the State program. Under the Federal Program, the Commissioner will insure the lender 100 percent of the unpaid principal outstanding at the time the loan enters into default. Loans made under the provisions of the Education Amendments of 1972 are insured for 100 percent of the unpaid principal balance plus interest. The insurance premium charged is one quarter of one-percent of the amount disbursed to the lender (who may pass it on to the borrower). The fee is paid for the anticipated in-school and 12 months grace period.

While the student is in school, during the maximum 12-month grace period, and during periods of authorized deferment, the Federal Government pays the total interest up to the maximum 7 percent on loans that qualify for such a subsidy. Through February 28, 1973, students whose adjusted income was less than $15,000 per year qualified for the subsidy. Under the Educational Amendments of 1972 (P.L. 92-318), which were effective for the period March 1, 1973 through June 1, 1974, students applied for Federal interest benefits by submitting to the lender a recommendation by the educational institution as to the amount needed by the student to meet his educational costs.

Since June 2, 1974, any student, whose adjusted family income is less than $15,000 is automatically eligible for a subsidized loan on loans totalling up to $2,000 in any academic year. Such students who wish a subsidized loan in excess of $2,000 or students, having adjusted family incomes of $15,000 or greater and applying for a subsidized loan of any amount, must submit to the lender the school's recommendation for a subsidized loan based upon the school's assessment of the family's ability to pay for the cost of education.

A special allowance is authorized to be paid to lenders when the Secretary of Health, Education, and Welfare, in consultation with the Secretary of the Treasury, and the Director of the Office of Management and Budget, determines that economic conditions are impeding or threatening to impede the fulfillment of the purposes of the program or that the return to the lender is less than equitable. The rate may not exceed three percent per annum on the average quarterly unpaid principal balance of loans made after August 1, 1969, whether or not the loan qualifies for Federal interest benefits.

The Education Amendments of 1972 (P.L. 92-318) increased the maximum loan available to qualified undergraduate and graduate borrowers per academic year from $1,500 to $2,500. The aggregate total of loans outstanding per graduate student was increased from $7,500 to $10,000 including loans made at the undergraduate level.

Applications for student loans may be obtained from lenders, schools, regional offices of the Office of Education or State or private nonprofit guarantee agencies. The school must complete a portion of this application certifying the amount of loan needed by the student and verifying the student's enrollment, his costs and academic standing. If the lender agrees to make the loan, approval must be obtained by the appropriate guarantor.

Any student may apply who has been accepted for enrollment in an eligible school or who is already in attendance and in good standing, and who is a citizen or national of the United States or, except for foreign study, is in the United States for other than a temporary purpose. In most States, half-time students are eligible, but some state agency programs require full-time attendence. Residency requirements also vary in some States.

Other information relevant to this program is shown under the Higher Education appropriation.

Table I: PERCENT DISTRIBUTION OF LOANS BY STUDENT BORROWER CHARACTERISTICS 1/

	Type of Program	Fiscal Year 1968	Fiscal Year 1973	Difference of 1973 over 1968
Gross Family Income 2/				
Over $15,000	FP*	6%	15%	+9%
	GA	0%	30%	+30%
$12,000 and below	FP	84%	63%	-21%
	GA	9%	39%	+30%
Loans to Minority Students	FP	4%	20%	+16%
	GA	9%	11%	+ 2%
Sex				
Male	FP	64%	65%	+ 1%
	GA	63%	57%	- 6%
Female	FP	27%	31%	+ 4%
	GA	37%	40%	+ 3%
Academic Year Acquired				
First Year	FP	24%	44%	+20%
	GA	33%	31%	- 2%
Age of Student				
17-20 years	FP	28%	21%	- 7%
	GA	44%	37%	- 7%
27 years and over	FP	12%	25%	+13%
	GA	6%	9%	+ 3%
Marital Status				
Single	FP	61%	57%	- 4%
	GA	83%	84%	+ 1%
Married	FP	26%	34%	+ 8%
	GA	15%	11%	- 4%
Academic Program 3/				
Specialized & Vocational	FP	8.2%	49.3%	+41.1%
	GA	5.3%	5.3%	0%
College & University	FP	73.2%	39.3%	-33.9%
	GA	84.9%	79.2%	- 5.7%

1/ Percentages were derived from a 20% sample of all student borrowers in the program through March 31, 1973. Percentages shown represent responses to items on the borrower's application for a student loan. In many cases, 100% response was not always received. However, non-response was not considered sufficient to bias the percentages.

2/ The gross family income is the total income of the student's family from all sources.

3/ Percentages were derived from a 3% sample of all student borrowers in the program through February 1974. Percentages shown represent responses to items on the borrower's application for a student loan. In many cases, 100% response was not always received. However, non-response was not considered sufficient to bias the percentages.

* Legend FP = Federal Insurance Program
GA = State Guarantee Agency Program

Table II

PERCENT DISTRIBUTION OF CLAIMS BY STUDENT BORROWER CHARACTERISTICS 1/

	Type of Program	Fiscal Year 1969	Fiscal Year 1973	Difference of 1973 over 1969
Gross Family Income 2/				
$6,001 - $12,000	FP *	26%	30%	+ 4%
	GA	37%	21%	-16%
$6,000 and below	FP	55%	49%	- 6%
	GA	33%	27%	- 6%
Adjusted Family Income 3/				
$6,001 - $12,000	FP	17%	19%	+ 2%
	GA	33%	27%	- 6%
$6,000 and below	FP	66%	58%	- 8%
	GA	53%	40%	-13%
Claims from Minority Students	FP	15%	22%	+ 7%
	GA	10%	13%	+ 3%
Sex				
Male	FP	49%	51%	+ 2%
	GA	40%	57%	+17%
Female	FP	20%	22%	- 2%
	GA	20%	10%	-10%
Age of Student				
17 - 20 years	FP	14%	6%	- 8%
	GA	21%	13%	- 8%
21 years and over	FP	18%	31%	+13%
	GA	7%	23%	+16%
Marital Status				
Single	FP	39%	36%	- 3%
	GA	47%	48%	+ 1%
Married	FP	23%	29%	+ 6%
	GA	9%	12%	+ 3%
Academic Program 4/				
Specialized & Vocational	FP	24.9%	76.3%	+51.4%
	GA	17.2%	16.8%	- .4%
College & University	FP	52.8%	17.8%	-35.0%
	GA	66.0%	58.9%	- 7.1%

1/ Percentages were derived from a 100% sample of claims filed through June 30, 1973. Percentages shown represent responses to items on the borrower's application for a student loan. In many cases, 100% response was not always received. However, non-response was not considered sufficient to bias the percentages.

2/ The gross family income is the total income of the student's family from all sources.

3/ The adjusted family income is used to determine if a student is eligible for interest benefit payments under the program. The adjusted family income is computed by subtracting a standard deduction of 10% plus all personal exemptions from the gross family income.

4/ Percentages were derived from a 50% sample of defaulted borrower data in May 1974.

* Legend FP = Federal Insurance Program
GA = State Guarantee Agency Program

Federal Insurance Program

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Federal Insurance Program:				
Obligations..............	$80,000,000	$134,092,000	$146,437,000	+$12,345,000
Replacement of 1974 Borrowing Authority....	———	19,031,000	———	- 19,031,000
Available Receipts and Carryover...........	-12,650,000	- 9,373,000	- 20,600,000	- 11,227,000 1/
Total, Budget Authority	67,350,000	143,750,000	125,837,000	- 17,913,000

1/ Negative amounts represent increases in receipts.

Narrative

Authority and Purpose

A program of Federal loan insurance for students and lenders who do not have reasonable access to State or private nonprofit guarantee agency programs is authorized under the Higher Education Act of 1965. Upon default of student borrowers, the Office of Education is authorized to pay the lending institution 100 percent of the principal amount of the loss. The Education Amendments of 197[illegible] also provide that all Federally insured loans made under the new legislation are insured for 100 percent of the unpaid principal balance plus interest, whether or not the loan qualifies for Federal interest benefits. In the event of death or total and permanent disability, the Commissioner of Education discharges the borrower's liability by paying the lender the total amount owed. The law also authorizes the Commissioner of Education to charge an insurance premium of up to one-fourth of one percent per year on the unpaid principal amount of loans insured under this program.

Scope of the Program

The Higher Education Act of 1965 originally placed emphasis for insuring a loan on State and private nonprofit agencies. The Federal program of insurance was provided on a stand-by basis in the event that the State or private nonprofit agencies were unable to provide adequate coverage. Today, the Federal Insurance Program is operating in 26 States, Guam, Puerto Rico, and the Trust Territories of the Pacific. By the end of fiscal year 1976 approximately $4,065,000,000 in disbursed loans will have been insured under the Federal Program—approximately 44 percent of all loans insured under the Guaranteed Student Loan Program.

Operation of the Program - Collection Efforts

The lender must exercise reasonable care and diligence both in the making and collection of loans. In the event the borrower dies or becomes totally or permanently disabled, the government reimburses the lender for the total amount owed. No subsequent efforts are made to recover these losses either from the borrower or from the estate. In the event of bankruptcy, limited efforts are made first by the lending institution and then by the Office of Education to obtain reaffirmation of the debt and some borrowers have reaffirmed their debt after discharge in bankruptcy. However, in the event the borrower defaults on an obligation, other than described above, the lender is required to make all reasonable efforts to effect collection before filing a claim with the Federal Government for reimbursement of the loss. If it is determined that the lender has not exercised such diligence, the claim is returned for further effort or in some cases ruled ineligible for payment due to lender negligence. The Federal Government provides lenders with preclaim assistance which has resulted in many delinquent accounts being returned to good standing.

Fiscal Year 1976 Estimate

An appropriation of $125,837,000 is requested for the Federal Insurance Program to cover an increase in default payments in 1976. Although this request represents a decrease of $17,913,000 below the 1975 level of $143,750,000, an adjustment must be made for $19,031,000 included in 1975 to replace 1974 borrowing authority. The $143,750,000 1975 level is reduced by the $19,031,000 borrowing authority to arrive at the actual 1975 level of $124,719,000. Thus, the $125,837,000 request for 1976 represents an increase of $1,118,000 over the adjusted level of $124,719,000. This $1,118,000 increase together with an increase in receipts of $11,227,000 will support the $12,345,000 increase in obligations (discussed below.)

Defaults under the Federally insured phase of the program did not begin reaching the Office of Education until late in fiscal year 1970. Fiscal year 1973 was the first year in which substantial numbers of defaults were received and paid. In addition, data had been incomplete on matured loans because of lender reporting problems. A corresponding lack of experience existed in predicting with accuracy the rate of recovery on defaulted loans since the collection program was relatively new. With the experience factor of an additional fiscal year, 1974, and the implementation of a budget estimation model, the Office of Education can now more accurately estimate the number of defaults.

Obligations - Estimate of Claims on Defaulted Loans

Payments in connection with claims on defaulted student loans are expected to total $146,437,000 in 1976, an increase of $12,345,000 over the 1975 revised estimate of $134,092,000.

The 1976 estimate was developed using a budget estimation model. The model analyzes loan data for the past eight years by eight major categories of loans including type of school or college and the type program offered by the school. The model indicates that the default rate for 1976 is estimated to reach 19 percent, as compared to 18 percent in 1975, an increase of one percent. The higher default rate is related to an increase of $666 million in matured loans. those that are entering the repayment status and are therefore potentially subject to default, and to the $1,481 million already in repayment status. Large numbers of loans mature sooner in this program because of the high incidence of vocational school borrowers.

Under the Federal program, student loans are currently going into repayment status sooner than the State and nonprofit private agency phase of the Guaranteed Student Loan Program. This relates to the fact that loans to specialized and vocational school students account for a larger share (49%) of the total Federal program volume beginning with fiscal year 1971. Recent analysis of claims characteristics show that of all claims paid through fiscal year 1974, 59.7 percent were for defaulted borrowers who attended nondegree granting specialized institutions. For those that reported adjusted family income, 72.9 percent had adjusted family incomes of $6,000 and below, and 50.9 percent $3,000 and below. Approximately 41.8 percent of the specialized and vocational defaulted borrowers indicated a minority racial status. Nearly 50 percent were single borrowers, and of the total 57.8 percent were male and 41.2 percent were female.

Table II shows some changes in the characteristics of student borrowers who have defaulted. Comparisons as to differences are made between fiscal year of disbursement 1969 and 1973, a span of five fiscal years. For the Federal Program (FP) there is an evident increase in higher gross and adjusted family incomes among borrowers who default. Claims from minority students have increased significantly, seven percent. There is an indication that more male borrowers are defaulting than female borrowers. The age shift is very significant indicating that borrowers 27 years and older are defaulting at an increasingly higher rate. This may be related to the shift in marital status which indicates an increase in married defaulters, who might be the older borrowers indicated above. The most significant shift of all is the increase in specialized and vocational student defaulters and the decrease in the number of college and university student defaulters. This can certainly be attributed to the increase in loans to specialized and vocational students, however, college and university student borrowers may also have a lower tendency to default.

Receipts and Carryover

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Loans repaid (collections on defaulted loans)..........	$9,700,000	$7,000,000	$17,100,000	+$10,100,000
Insurance Premiums..........	3,200,000	3,000,000	3,200,000	+ 200,000
Interest income on defaulted loans......................	2,223,000	4,200,000	7,900,000	+ 3,700,000
Carryover balance available, start of year.............	4,132,000	4,760,000	9,587,000	+ 4,827,000
Carryover balance not available, end of year....	-6,605,000	-9,587,000	-17,187,000	- 7,600,000
Available Receipts and Carryover	[illegible],650,000	9,373,000	20,600,000	+11,227,000

Collections on Defaulted Loans

The 1976 estimate on defaulted loans is $17,100,000, an increase of 144 percent over the $7,000,000 expected to be collected in fiscal year 1975. This significant increase is due to vastly improved personpower as follows. First, the fiscal year 1974 Supplemental Salaries and Expenses Appropriation authorized 109 collectors, an increase of 138 percent; raising the total number of collectors to 135. Second, 37 collector correspondent positions are requested in the 1976 Salaries and Expenses Appropriation.

The estimate of $17,100,000 is based on the assumption that an annual receipt of $191 will be collected for each default that has been converted to repayment status at the beginning of fiscal year 1976. Thus, 52,276 defaults at $191 each will yield $10,000,000 in collections. In addition, an average receipt of $110 will be collected for each new default converted to repayment status during fiscal year 1976, a total of 64,469 new cases worth an estimated $7,100,000 in collections.

For each personyear of effort not realized, the program forgoes $43,560 (396 x $110). Thus, if the 37 collector correspondent positions in the 1976 Salaries and Expenses Appropriation are not authorized, the program will forgo $1,210,968 in collections and the conversion to repayment of 11,009 cases.

Insurance Premiums:

A small decrease of $200,000 is included for insurance premiums for a total of $3,200,000 compared to the 1975 revised estimate of $3,000,000. The Higher Education Act authorizes the charge of an insurance premium in the amount of one-fourth of one percent per annum. The premiums are actually collected in advance for the interim period which can run for five years and the average insurance premium is $6.50. This increase relates primarily to an increase in the number of disbursed loans subject to premiums from the 1975 revised estimate of 459,000 to a new total of 504,000. The $6.50 rate is applied to the 504,000 new loans to arrive at the $3,200,000 in premiums incomes.

Interest Income:

For interest income on defaulted loans, an increase of $3,700,000 is estimated for a total of $7,900,000 compared to the 1975 revised estimate of $4,200,000 since more loans are in default. Interest income is estimated by applying an average rate of 7 percent to $253 million in defaulted loans received by the Office of Education and outstanding at the beginning of fiscal year 1976. Thus, approximately $253 million would be subject to interest for a total of approximately $17.7 million. Based on experience, this amount is further adjusted by assuming that 45 percent of the interest will be collected by the Office of Education and that 55 percent will be written off as uncollectable. Thus only $7.9 million of the $17.7 million is included in the estimates.

The 1975 revised estimate assumed a 7 percent rate applied to approximately $130 million in defaulted loans for a total of $9.1 million. This amount was further reduced by applying the 45 percent factor to arrive at the net $4,200,000 in interest income. Interest due the Federal Government on defaulted loans is estimated as it accrues and is shown as income in the Student Loan Insurance Fund even though the interest will not be available to meet Fund obligations until defaulted loans--principal and interest--are collected.

Carryover Balance:

The carryover balance at the end of the year consists of accured but uncollected interest on defaulted loans and accrued uncollected insurance premiums. Such amounts are not available for obligation until received and therefore have no effect on the budget request. The increases of $4,827,000 at start of year (from $4,760,000 to $9,587,000) and $7,600,000 at end of year (from $9,587,000 to $17,187,000) result primarily from increases in uncollected interest income for fiscal years 1975 and 1976. These increases result primarily from the increase in defaulted loans from which the Office of Education receives interest income.

Federal Reinsurance Program

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Federal Reinsurance Program:				
Obligations..............	$54,000,000	$60,000,000	$90,000,000	+$30,000,000
Available Receipts and Carryover..............	- 6,350,000	- 6,150,000	-14,050,000	- 7,900,000 1/
Total, Budget Authority	$47,650,000	53,850,000	$75,950,000	+$22,100,000

1/ Negative amount represents an increase in receipts.

Narrative

Authority and Purpose

The Higher Education Amendments of 1968 authorized the Office of Education to reinsure loans guaranteed by State and nonprofit private agencies to the extent of 80 percent of the principal amount of the loss incurred by the agency in meeting its obligations to lenders as a result of default by student borrowers. One of the principal purposes of this amendment was to substitute Federal credit in lieu of further advances to the State pursuant to Section 422 of the Act. The effect of the 80 percent reinsurance is to increase the guarantee capacity of the agency by a factor of five.

Scope of the Program

Twenty-five states, the District of Columbia and the United Student Aid Funds, Inc. currently have agreements to guarantee student loans. Twenty-one of these agencies operate their programs directly; five have contracted with United Student Aid Funds, Inc., a private nonprofit agency, to administer their programs. Reinsurance agreements are currently effective in 24 states and the District of Columbia. Loans guaranteed by the state of Virginia or United Student Aid Funds are not subject to reinsurance. By the end of fiscal year 1976, an estimated $4.6 billion in loans will have been made which are covered under the Federal Reinsurance Program --approximately 50 percent of all loans made under the Guaranteed Student Loan Program. An additional 551 million--or about 6 percent of all loans will have been guaranteed by state agencies, but not reinsured by the Federal Government.

Operation of the Program - Collection Efforts

In the case of loans guaranteed by State and nonprofit private agencies, the guarantee agency requires diligent collection efforts on the part of the lender prior to paying claims. After default the agency has the responsibility to recover the loss. Eighty percent of the payments made by defaulted borrowers to the agency are returned to the Federal Government. The Federal Government has no direct responsibility for making collections. The agreement providing for reinsurance of guaranteed loans includes standards to be met by the guarantee agency. Program reviews are conducted to assure that they are conducting business according to the terms of the Office of Education's agreement.

Fiscal Year 1976 Request

For the Reinsurance program, an appropriation of $75,950,000 is requested. This amount represents an increase of $22,100,000 over the 1975 revised estimate of $53,850,000. In making estimates, the Reinsurance Program cannot be compared to or based on the Federal Insurance program because of basic differences in operations and the constituency served by the two programs. In developing fiscal year 76 estimates, the Agencies were requested to supply additional improved data. A continued effort to improve and refine this reporting mechanism is being developed with an ultimate goal of a semi-annual reporting cycle, to be operational by June 30, 1975. It is impossible at this time to use the budget estimation model on this Program.

Obligations -, Estimates of Claims on Defaulted Loans

Payments in connection with claims on defaulted student loans are expected to total $90,000,000 in 1976, an increase of $30,000,000 over the 1975 revised estimate of $60,000,000. Recent data received from the guarantee agencies indicate the default rate will reach 10.5 percent in 1976, an increase of 3.1 percent over the 1975 rate of 7.4 percent. The higher default rate is related to an increase of $447 million in matured loans, loans that are entering the repayment status, and are therefore potentially subject to default, and $2,571 million already in repayment status. It is impossible to attribute the above increase precisely to any one academic program. However, Junior colleges and Institute defaults are on the increase as explained below. For all claims paid in this program thru fiscal year 1974, 67.0 percent of the defaults were for college and university borrowers, 16.3 percent for junior colleges institute borrowers, and 15.0 percent for specialized and vocational borrowers.

Table II indicates that colleges and universities, and specialized and vocational defaults decreased between 1969 and 1973, however, junior colleges and institutes' defaults increased from 15.6 percent in 1969 to 23.7 percent in 1973, a difference of +8.1 percent.

Receipts and Carryover

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Loans repaid (collections on defaulted loans)..........	$6,100,000	$6,100,000	$13,800,000	+$7,700,000
Interest income on defaulted loans......................	1,677,000	2,300,000	3,900,000	+ 1,600,000
Carryover balance available, start of year..............	2,772,000	2,669,000	4,919,000	2,250,000
Carryover balance not available, end of year....	-4,199,000	-4,919,000	-8,569,000	-3,650,000
Available Receipts and Carryover	6,350,000	6,150,000	14,050,000	+7,900,000

Collections on Defaulted Loans:

The 1976 estimate includes an increase of $7,700,000 over the 1975 level of $6,100,000. The goal for 1976 is $13,800,000. The assumed percentage of recovery on default dollars outstanding (approximately $125 million) at the end of fiscal year 1975 is at the rate of 11 percent. However, the rate will vary among the agencies. Eighty percent of all defaults collected become available as income to the Student Loan Insurance Fund. The collections estimate has been adjusted to reflect the net eighty percent figure.

Interest Income

For interest income on defaulted loans, an increase of $1,600,000 is estimated for a total of $3,900,000 compared to the 1975 revised estimate of $2,300,000. Interest income is estimated by applying an average rate of 7 percent to defaulted loans received by the Office of Education and outstanding at the beginning of fiscal year 1975. Thus, approximately $125 million would be subject to interest for a total of approximately $8.7 million. Based on experience, this amount is further adjusted by assuming that 45 percent of the interest will be collected by the Office of Education and that 55 percent would be written off as uncollectable. Thus only $3.9 million of the $8.7 million is included in the estimates. The 1975 revised estimate assumed a 7 percent rate applied to approximately

$73 million in defaulted loans for a total of $5.1 million. This amount was further reduced by applying the 45 percent factor to arrive at the net $2,300,000 in interest income. As explained earlier, this income will become available in future years.

Carryover Balance

The changes reflected in interest income and carryover balances represents accrued interest income on defaulted loans. The increase of $2,250,000 at the start of year (from $2,669,000 to $4,919,000) and the increase at the end of year (from $4,919,000 to $8,569,000) result from an estimated increase in defaulted loans for 1975 and 1976. The Office of Education receives interest income from which the collection of such interest will be made only after the defaulted loan has been paid in full. Therefore, these items have no effect on current budget requirements, but will be available in future years.

Program Purpose and Accomplishments

Activity: Payments in connection with defaults on student loans.

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$115,000,000	$197,600,000	Indefinite	$201,787,000

Purpose: To enable the Commissioner of Education to make payments on defaults by student borrowers under the Federally Insured Student Loan Program, the Student Loan Insurance Fund was established under the authority of the Higher Education Act of 1965. The liability of the fund was substantially increased by the Higher Education Amendment of 1968 which authorizes the Commissioner to reinsure loans guaranteed by States and non-profit private agencies at 80 percent of default.

Explanation: Funds are made available to the Commisioner, without fiscal year limitation, to make payments in connection with default of insured and reinsured loans by student borrowers.

Accomplishments in 1975: In fiscal year 1975 an appropriation of $1[illegible],600,000 along with receipts into the fund of $15,523,000 provided total funds of $213,123,000. This amount supported obligations of $194,092,000 and $19,031,000 for repaying 1974 borrowing authority.

Objectives for 1976: Obligation for payments in connection with defaults are estimated at $236,437,000. This amount represents an increase of $42,345,000 over the 1975 level of $194,092,000. This amount would be funded by income and other receipts into the fund of $34,650,000 and an appropriation of $201,787,000.

Supplemental Fact Sheet
GUARANTEED STUDENT LOAN PROGRAM

Federally Insured Loan Program
and
Guarantee Agency Program

	Fiscal Year 1974		Fiscal Year 1975		Fiscal Year 1976	
	Number (000)	Amount (millions)	Number (000)	Amount (millions)	Number (000)	Amount (millions)
Loans Committed						
Start of Year	6,031	5,833	6,970	6,974	7,970	8,374
Current Year	939	1,141	1,000	1,400	1,100	1,650
End of Year	6,970	6,974	7,970	8,374	9,070	10,024
Loans Disbursed						
Start of Year	5,586	5,394	6,435	6,425	7,340	7,693
Current Year	849	1,031	905	1,268	995	1,492
End of Year	6,435	6,425	7,340	7,693	8,335	9,185
Cumulative Disbursed Loans Paid-In Full, Defaults and Writeoffs		1,715		2,373		3,085
Cumulative Disbursed Loans Outstanding		4,710		5,320		6,100
In Repayment		1,416		1,679		2,026
In School		3,294		3,641		4,074
Percent of Outstanding, Loans in School		70%		68%		67%
Yearly Disbursed Matured Loans		718		921		1,059
Cumulative Disbursed Matured Loans		3,131		4,052		5,111
Federally Insured		(950)		(1,481)		(2,147)
Guarantee Agencies		(2,179)		(2,571)		(2,964).
CLAIMS ACTIVITIES:						
Claims Received (combined)		262.2		477.8		749.2
Federally Insured		(144.2)		(277.9)		(424.3)
Guarantee Agencies		(116.0)		(199.9)		(324.9)
Claim Rates Combined		8.3%		11.8%		14.7%
Federally Insured		(15.1%)		(18.8%)		(19.7%)
Guarantee Agencies		(5.4%)		(7.8%)		(10.9%)
DEFAULT ACTIVITIES:						
Defaults Received (combined)		247.8		458.2		720.5
Federally Insured		(137.0)		(266.7)		(408.1)
Guarantee Agencies		(110.8)		(191.5)		(312.4)
Gross Default Rates (combined)		7.9%		11.3%		14.1%
Federally Insured		(14.4%)		(16.0%)		(19.0%)
Guarantee Agencies		(5.0%)		(7.4%)		(10.5%)
NET DEFAULTS:						
Defaults not converted to repayment status Federally Insured Defaults		103.2		181.5		249.0
Net Defaults Rate Federal 1/		10.8%		12.3%		11.6%

1/ Net default rate not available for guarantee agencies.

Student Loan Insurance Fund

Amounts Available for Obligation

	1976 Estimate	Estimate July 1, 1976-Sept. 30, 1976
Appropriation	$201,787,000	$ 30,000,000
Receipts and carryover balance:		
Insurance premium	3,200,000	800,000
Accrued interest income	11,800,000	4,300,000
Loans repaid	30,900,000	21,000,000
Unobligated balance, start of year	14,506,000	25,756,000
Unobligated balance, end of year	-25,756,000	-29,056,000
Subtotal, receipts and carryover balances	34,650,000	23,000,000
Total, obligations	236,437,000	53,000,000

Budget Authority by Activity

	1976 Estimate	Estimate July 1, 1976-Sept. 30, 1976
Federal Insurance Program	$125,837,000	$ 18,000,000
Federal Reinsurance Program	75,950,000	12,000,000
Appropriation	201,787,000	30,000,000

Obligation by Activity

	1976 Estimate	Estimate July 1, 1976 Sept. 30, 1976
Payments in connection with defaults on student loans:		
(a) Federal Insurance program	$146,437,000	$ 37,000,000
(b) Federal Reinsurance program	90,000,000	16,000,000
Total obligations	236,437,000	53,000,000

Obligations by Object

	1976 Estimate	Estimate July 1, 1976-Sept. 30, 1976
Investments and loans	$228,437,000	$ 51,200,000
Insurance claims and indemnities	8,000,000	1,800,000
Interest and dividends	---	---
Total obligations by object	236,437,000	53,000,000

Justification

	1976 Estimate	Estimate July 1, 1976-Sept. 30, 1976
Federal Insurance Program:		
Obligations	$146,437,000	$ 37,000,000
Available receipts and carryover	-20,600,000	-19,000,000
Subtotal, Budget Authority	125,837,000	18,000,000
Federal Reinsurance Program:		
Obligations	90,000,000	16,000,000
Available receipts and carryover	-14,050,000	- 4,000,000
Subtotal, Budget Authority	75,950,000	12,000,000
Total:		
Obligations	236,437,000	53,000,000
Budget Authority (appropriation)	201,787,000	30,000,000

Receipts and Carryover:

1. **Federal Insurance Program:**

Loans repaid (collections on defaulted loans)	17,100,000	17,000,000
Insurance premiums	3,200,000	800,000
Interest premiums	7,900,000	2,900,000
Carryover balance available, start of year	9,587,000	17,187,000
Carryover balance not available, end of year	-17,187,000	-18,887,000
Available receipts and carryover	20,600,000	19,000,000

2. **Federal Reinsurance Program:**

Loans repaid (collections on defaulted loans)	13,800,000	6,000,000
Interest income	3,900,000	1,600,000
Carryover balance available, start of year	4,919,000	8,569,000
Carryover balance not available, end of year	-8,569,000	-10,169,000
Available receipts and carryover	14,050,000	4,000,000

Narrative

An appropriation of $30,000,000 is requested for the Student Loan Insurance Fund to cover default payments for the interim budget period, July 1, 1976 through September 30, 1976. In order to arrive at this estimate certain assumptions had to be made relatively to resource and commitments on a 12 month basis. During this period, the effects of new regulations and legislation along with management improvements, should reflect substantial increases in collection along with corresponding decreases in default payments. The table below reflects the basic for this request.

	12 month basis after June 30, 1976	3 month basis Interim Budget
Default payments	$215,000,000	$53,000,000
Less:		
Receipts deposited into the fund	-88,000,000	-23,000,000
Appropriation	127,000,000	30,000,000

Estimates for obligations and receipts are estimated at 25% of the 12 month basis period. Receipts are further adjusted to reflect cash receipts from prior years receivables.

Appropriation Estimate

HIGHER EDUCATION FACILITIES LOAN AND INSURANCE FUND

For the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interests or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c)), [$2,701,000]$2,192,000 to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such fund: [Provided, That loans may be made during the current fiscal year from the fund to the extent that amounts are available from commitments withdrawn prior to July 1, *1975*, by the Commissioner of Education].1/

For "Higher education facilities loan and insurance fund" for the period July 1, 1976, through September 30, 1976, for the payment of such insufficiencies as may be required by the trustee on account of outstanding beneficial interest or participations in assets of the Office of Education authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c), $548,000, to remain available until expended, and the Secretary is hereby authorized to make such expenditures, within the limits of funds available in the Higher Education Facilities Loan and Insurance Fund, and *in accord with law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 849) as may be necessary in carrying out the program for the current fiscal period for such fund.*[2/]

Explanation of Language Change

1/ The 1975 language provided for new construction loans to be made from amounts withdrawn from earlier commitments prior to July 1, 1975. The 1976 language would eliminate such authority, since no new loans are anticipated in 1976.

2/ To provide an appropriation for the payment of participation sales insufficiencies and to continue the operation of the fund during the transition period between fiscal year 1976, which ends June 30, 1976, and fiscal year 1977, which begins October 1, 1976.

Amounts Available for Obligation

Appropriation:	1975 Revised	1976
Annual (definite)	$2,701,000	$2,192,000
Permanent (indefinite)	1,500,000	1,500,000
Subtotal Appropriation	4,201,000	3,692,000
Receipts and reimbursements from:		
"Federal funds"		
Investment income from participation sales funds	1,070,000	1,150,000
"Non-Federal sources"		
Interest income	14,218,000	14,100,000
Loans repaid	12,000,000	13,000,000
Unobligated balance transferred to participation sales funds	-5,425,000	-5,230,000
Unobligated balance, start of year	105,252,000	97,012,000
Unobligated balance, end of year	-97,012,000	-91,736,000
Total, obligations	34,304,000	31,988,000

Summary of Changes

1975 Budget authority	$4,201,000
1976 Budget authority	3,692,000
Net change	-509,000

	Base	Change from Base
Decreases:		
A. Built-in:		
1. Interest expense on participation certificates	$4,201,000	$ -509,000
Total, net change	---	-509,000

Summary of Changes

1975 Revised obligations	$34,304,000
1976 Estimated obligations	31,988,000
Net change	-2,316,000

	Base	Change from Base
Increases:		
A. Built-in:		
1. Operating expenses	$31,987,000	$ + 1,000
Decreases:		
A. Program:		
1. Construction loans	2,317,000	-2,317,000
Total, net change	-	-2,316,000

Explanation of Changes

Budget authority--Although interest expense on participation certificates will remain constant, an increase in income relating to such certificates and additional funds available from prior year insufficiencies appropriation will provide for a reduction of $509,000 in required budget authority. This reduction results in a total budget authority of $3,692,000 in 1976 compared to $4,201,000 in 1975. The budget authority is composed of two appropriations as follows:

(1) An annual definite appropriation to pay for the 1976 insufficiency on participation certificates sold in 1968--$2,192,000 in 1976 compared to $2,701,000 in 1975.

(2) A permanent indefinite appropriation to pay for the 1976 insufficiency on participation certificates sold in 1967--$1,500,000 in 1976, the same as the 1975 level.

Obligations--In other operation costs, a small increase of $1,000 is antiticipated for 1976 ($31,988,000 in 1976 compared to $31,987,000 in 1975). These operating costs consist primarily of interest expense on participation certificates--funded by income and appropriation for insufficiencies, and interest expense to the Treasury. The interest expenses to the Treasury, funded from available funds, is based on certifications by the Treasury at the end of each fiscal year and is computed on the cumulative amount of appropriations paid out for loans under this title or available as capital to the fund less the average undisbursed cash balance in the fund during the year.

A decrease of $2,317,000 in construction loans will result in no new loans in 1976. Prior to fiscal year 1976, loans under this account were funded from amounts made available from funds withdrawn from earlier commitments.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Operating expenses:				
(a) Interest expense:				
(1) Interest expense on Participation Certificates.....	$10,483,000	$10,483,000	$10,483,000	$ ---
(2) Interest expense to Treasury......	21,500,000	21,500,000	21,500,000	---
(3) Administrative expenses.........	4,000	4,000	5,000	+ 1,000
Construction loans.........	2,317,000	2,317,000	---	-2,317,000
Total obligations................	$34,304,000	$34,304,000	$31,988,000	$-2,316,000

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Other services..................	$4,000	$4,000	$5,000	$+1,000
Investment and Loans.............	2,317,000	2,317,000	---	-2,317,000
Interest and dividends..........	31,983,000	31,983,000	31,983,000	---
Total obligations by object...	$34,304,000	$34,304,000	$31,988,000	$-2,316,000

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation requested
Higher Education Act:		
Title VII, Part C - Loans for Construction of Academic Facilities..........................	$200,000,000 1/	$ ---
Participation Sales Act..........................	Indefinite	3,692,000 2/

1/ Authorization extended for one year under the General Education Provisions Act.

2/ Includes $1,500,000 for a permanent indefinite appropriation authorized under the Independent Office Appropriation Act of 1967.

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1965	$169,250,000	$169,250,000	$169,250,000	$169,250,000
1966 HOA	119,050,000	119,050,000	110,000,000	110,000,000
1967 HOA	200,000,000	200,000,000	200,000,000	200,000,000
Sales	100,000,000	100,000,000	100,000,000	100,000,000
1968 HOA 1/	925,000	925,000	---	925,000
Sales	100,000,[illegible]	100,000,000	---	100,000,000
1969 HOA 1/	103,275,000	103,275,000	103,275,000	103,275,000
1970 HOA 1/	2,918,000	2,918,000	2,918,000	2,918,000
1971 HOA 1/	2,952,000	2,952,000	2,952,000	2,952,000
1972 HOA 1/	2,961,000	2,961,000	2,961,000	2,961,000
1973 1/	2,921,000	2,921,000	2,921,000	2,921,000
1974 1/	2,948,000	2,948,000	2,948,000	2,948,000
1975 1/	2,701,000	2,701,000	2,701,000	2,701,000
1976 1/	2,192,000			

1/ Excludes a permanent indefinite appropriation under "Payment of Participation Sales Insufficiencies" in the Independent Offices Appropriation Act, 1967.

NOTE: The amounts for 1965, 1966, and 1967 include the construction loan program which was previously carried under "Higher Education Facilities Construction."

Justification

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Adjusted Appropriation:				
Appropriations for the payment of Participation Sales Insufficiencies:				
Annual (definite)........	$2,701,000	$2,701,000	$2,192,000	$ -509,000
Permanent (indefinite)1/..	1,500,000	1,500,000	1,500,000	---
Total adjusted appropriation.	$4,201,000	4,201,000	3,692,000	-509,000
Obligations:				
Operating costs:				
1. Interest expense to Treasury................	$21,500,000	21,500,000	21,500,000	---
2. Interest expense on participation.......... certificates............	10,483,000	10,483,000	10,483,000	---
3. Administrative expenses.	4,000	4,000	5,000	+ 1,000
Capital outlay:				
1. Construction loans......	2,317,000	2,317,000	---	-2,317,000
Total obligations............	$34,304,000	$34,304,000	$31,988,000	$-2,316,000

1/ Authorized as indefinite permanent appropriations "Payment of Participation Sales Insufficiencies" in the Independent Offices Appropriation Act, 1967.

General Statement

To carry out a program of making and insuring loans, Title VII of the Higher Education Act authorizes the Commissioner of Education to make loans to institutions of higher education and to higher education building agencies for the construction of academic facilities and to insure the interest and principal on other loans financed from private capital. Such loans may cover up to 80 percent of a project's total development cost and must be repaid within 50 years. The Participation Sales Act, Public Law 89-429, approved on May 24, 1966, established a revolving fund for these loans, and provides that appropriations made available for Title VII may be deposited into the Fund. Participations in pools of such loans were sold by the Federal National Mortgage Association, of which the proceeds were deposited into the Fund to be used for new loans to colleges and universities.

Construction Loans

During 1970 and through 1973, loans under this program were displaced by the annual interest grant program under the higher education appropriation. However, new loans were made from the Fund to the extent that such amounts were made available from withdrawals of earlier commitments. These amounts were used to fund those small institutions of higher education which were unable to obtain private loans necessary to participate in the annual interest grant program.

During 1974, 10 new and 2 supplemental construction projects totaling $10,183 thousand were supported from funds withdrawn from earlier commitments. It is anticipated that additional funds available from commitments withdrawn prior to June 30, 1975, will support approximately two new and two supplemental construction projects totaling $2,317 thousand in 1975. Although no new loans are anticipated in 1976, the fund will continue to incur expenses for operating costs.

Operating Costs

The Participation Sales Act specifically authorizes the sale of participations in pools of loans in cases where the total receipts from the loans in the pool, after covering the costs of servicing the loans and administering the participation pool, may be insufficient to provide for timely payment of interest and principal on the participation. Appropriations to pay such insufficiencies are authorized.

In cases where the aggregate receipts may be insufficient to cover the payments as they become due, participations are salable on favorable terms only if buyers are assured that funds will be supplied to cover the insufficiency. The actual amount of the insufficiency is determined primarily by the difference between the interest rate required to sell the participations to the private credit market, and the interest rates paid by higher education institutions on their loans; and this cannot be estimated in advance of the sale. Therefore, Section 302(c)(5) of the Federal National Mortgage Association Charter Act as amended by the Participation Sales Act authorizes an indefinite appropriation of such sums as may be necessary and without fiscal year limitation to assure the successful sale of participations. Although the authorization is indefinite, it is effectively limited, since it can be used only in connection with participation sales in amounts specified by the accompanying authorization for sales. It is also permanent because it authorizes amounts necessary for meeting insufficiencies in any fiscal year in which participation sales provided for in accompanying authorizations are still outstanding.

In fiscal year 1967, a permanent indefinite appropriation was included under "Payment of Participation Sales Insufficiencies" in the Independent Offices Appropriation Act. This appropriation is limited to insufficiency payments for the $100,000,000 in participations which were sold in fiscal year 1967. Funds used against this appropriation on a full year basis, consisted of [illegible] in 1974 and $1,500,000 in 1975. It is anticipated that funds used in 1976 will continue at the same $1,500,000 level.

For the $100,000,000 in sales authorized in fiscal year 1968, annual definite appropriations of $2,948,000 for 1974 and $2,701,000 for 1975 were included in the Office of Education Appropricitons. The budget request includes an estimate of $2,192,000 for 1976 payments against these sales authorized in 1968.

Total insufficiency payments in 1976 are estimated at $10,488,000. This amount will be derived from about $5,187,000 in interest collections on loans held by colleges and universities, $1,150,000 in investment income, $459,000 in unused insufficiencies appropriation from 1975, and $3,692,000 from appropriations including $1,500,000 under the 1967 Appropriation Act. The decrease in appropriation requirements is primarily because of an increase in investment income, and the use of prior year insufficiencies appropriations.

For other operating costs, an amount of $21,500,000 is estimated for interest expense to the Treasury on loans paid out of appropriated funds or capital available from appropriated funds less the average undisbursed cash balance in the Fund during the year.

Program Purpose and Accomplishments

Activity: Operating Costs (including payment of participation sales insufficiencies and interest expense to the Treasury)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$4,201,000	$4,201,000	Indefinite	$3,692,000

Purpose: In its initial stage, the Fund sold participation certificates to the private credit market of which the proceeds were used to make new loans to higher education institutions. Since the interest received by the Commissioner on the loans is less than the interest paid by the Commissioner on the participation certificates, appropriations for insufficiencies are needed each year.

Explanation Although no new loans are anticipated in 1976, appropriations are made available for the operation of the Fund primarily for the payment of participation sales insufficiencies. Interest expense, funded from available funds, is payable to the Treasury on the net amount of appropriations used for construction loans since inception of the program.

Accomplishments in 1975: Appropriation for insufficiencies decreased from $4,288,000 in 1974 to $4,201,000 in 1975. Interest expenses to the Treasury increased from $21,113,000 in 1974 to $21,500,000 in 1975. Funds withdrawn from earlier commitments supported 2 new and 2 supplemental construction projects totaling $2,137,000 in 1975. During 1974 10 new and 2 supplemental construction projects totaling $10,183,000 were supported.

Objectives for 1976: Appropriation for insufficiencies are expected to decrease from $4,201,000 in 1975 to $3,692,000 in 1976. Estimated interest expense to the Treasury will remain at the same $21,500,000 level as in 1975. No new construction projects are anticipated during 1976.

Amounts Available for Obligation

	1976 Estimate	Estimate July 1, 1976 — Sept. 30, 1976
Appropriation:		
Annual (definite)	$2,192,000	$ 548,000
Permanent (indefinite)	1,500,000	375,000
Subtotal Appropriation	3,692,000	923,000
Receipts and reimbursements from:		
"Federal funds"		
Investment income from participation sales funds	1,150,000	288,000
"Non-Federal sources"		
Interest income	14,100,000	3,525,000
Loans repaid	13,000,000	3,250,000
Unobligated balance transferred to participation sales funds	-5,230,000	-1,308,000
Unobligated balance, beginning of year	97,012,000	91,736,000
Unobligated balance, end of year	-91,736,000	-90,418,000
Total, obligations	31,988,000	7,996,000

Obligation by Activity

	1976 Estimate	Estimate July 1, 1976 — Sept. 30, 1976
Operating expenses:		
(a) Interest expense:		
(1) Interest expense on Participation Certificates........................	$10,483,000	$ 2,620,000
(2) Interest expense to Treasury	21,500,000	5,375,000
(3) Administrative expenses.	5,000	1,000
Total obligations..................................	31,988,000	7,996,000

Obligations by Object	1976 Estimate	Estimate July 1, 1976 — Sept. 30, 1976
Other services..................................	5,000	1,000
Interest and dividends............................	31,983,000	7,995,000
Total obligations by object......................	31,988,000	7,996,000

SUBCOMMITTEE RECESS

I have completed the questions of the subcommittee this morning. There is a vote on upstairs, so the committee will stand in recess until 2 when we will hear testimony on libraries and special projects in S-146.

[Whereupon, at 11:30 a.m., the subcommittee was recessed, to reconvene at 10 p.m., Friday, March 21.]

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

THURSDAY, MARCH 20, 1975

U.S. Senate,
Subcommittee on Departments of Labor and Health,
Education, and Welfare and Related Agencies,
Washington, D.C.

The subcommittee met at 10 a.m. in room S–128, the Capitol, Hon. Edward W. Brooke presiding.

Present: Senators Brooke and Fong.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education Library Resources

STATEMENT OF DICK HAYS, ACTING ASSOCIATE DEPUTY COMMISSIONER FOR SCHOOL SYSTEMS, AND ACTING DIRECTOR, OFFICE OF LIBRARIES AND LEARNING RESOURCES

ACCOMPANIED BY:

DR. T. H. BELL, COMMISSIONER OF EDUCATION

ROBERT KLASSEN, CHIEF, PROGRAM DEVELOPMENT AND ASSISTANCE, OFFICE OF LIBRARIES AND LEARNING RESOURCES

MS. MARY HELEN MAHAR, SCHOOL LIBRARY RESOURCES PROGRAM MANAGER, OFICE OF LIBRARIES AND LEARNING RESOURCES

MS. CORA P. BEEBE, ACTING BUDGET OFFICER

CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER

BUDGET REQUEST

Senator Brooke. The subcommittee will come to order. Next we will hear the budget request for library resources. Mr. Hays is here to explain the request of $147 million, a decrease of $60 million below last year's appropriation. HEW is proposing to eliminate college libraries, training, and equipment.

Would you introduce your associates, Mr. Hays, and proceed?

Mr. Hays. I would be delighted, Mr. Chairman.

INTRODUCTION OF ASSOCIATES

First, to my left is Commissioner of Education, Mr. Bell. To my right is Miss Mahar, who heads our school library program. Immediately to my right is Robert Klassen, Chief, Program Development and Assistance, Office of Libraries and Learning Resources.

If I may, Mr. Chairman, I would like to read our opening statement, and then address any questions that you may have.

Senator **Brooke**. Mr. Miller has come in; Mr. Charles Miller, Deputy Assistant Secretary, Comptroller.

Mr. **Hays**. I also should have introduced Ms. Cora Beebe, our budget officer.

OPENING STATEMENT

Mr. Chairman, I am pleased to have this opportunity to appear before you to testify on the library resources appropriation for programs involving libraries and instructional resource programs in public libraries, schools, and academic institutions. It also covers the programs for librarian training and library demonstrations involving all types of libraries and information centers.

The 1976 budget provides $10 million for public library service programs and anticipates a separate request of $20 million for proposed new library legislation affecting all types of library facilities and their services in a defined partnership with the States and localities.

In addition, the 1976 budget contains support under title IV-B of the Elementary and Secondary Education Act for the advance funding for school year 1976-77 of $137,330,000 for the consolidated libraries and instructional resources program.

The Library Services and Construction Act expires with the fiscal year 1976 appropriation. Last year, we appeared before this subcommittee requesting that the categorical Federal support for public libraries be phased down and a broader legislative authority be enacted to encompass more than just one type of library interest in support of the improvement of library practices and the development of cost saving networks for sharing institutional resources.

This year we are requesting $10 million for the last year of the public library program to permit an orderly transition into the broadened purposes of the proposed new library legislation, the Library Partnership Act. We believe that State and local authorities bear the primary responsibility for the maintenance of public libraries. The success of the Federal role since the inception of the program in 1956 in providing seed money is attested to by the matching of $485 million Federal expenditures by more than $2 billion in State and local funds. In addition, in 1956, only 23 States had programs of direct aid to local public libraries; in 1975, 38 States have such programs for local library development.

The requested $10 million would permit the States to support the most promising exemplary outreach projects and to provide library materials and services to the blind, physically handicapped and the institutionalized, including inmates of penal institutions. It will also give additional time and funds for a reasonable conversion to increased local and State support, including the use of general revenue-sharing funds, for public library programs.

Title IV-B of the Elementary and Secondary Education Act authorizes grants to States for school library and instructional resources, including guidance, counseling, and testing. This activity consolidates into a single authorization the school library resources program, ESEA title II, equipment and minor remodeling, NDEA title III-A, and the guidance, counseling, and testing portion of the supplementary services program, ESEA title III. The amount of

$137,330,000 was appropriated in fiscal year 1975 as advance funding for fiscal year 1976, and the same amount is being requested in fiscal year 1976 as advance funding for use in 1977. This request will provide for the triggering of the consolidation of title IV, part B.

It is expected that these funds will provide the same opportunities for benefits to children and teachers as the separate categorical programs did in the prior years. The restructuring, however, will provide local authorities greater responsibility in determining their own educational priorities and flexibility for focusing on these needs.

No funds are requested in fiscal year 1976 for the college library resources program, HEA, title II–A, and the undergraduate instructional equipment program, HEA, title VI–A, in keeping with the shift of Federal dollars away from narrow institutional aid programs toward student support.

Further, no funds are requested for the librarian training and library demonstrations programs, HEA title II–B. It is proposed that Federal support continue to shift from narrow categorical training programs again to the broader student assistance programs supported in this budget. The demonstration projects funded by this title will be eligible for support under the proposed new library legislation.

In summary, we are requesting $147,330,000 for the "Library resources" appropriation, with $10 million for public libraries and $137,330,000 for school libraries and instructional resources. These funds are to be supplemented later by a request for $20 million for proposed legislation designed to coalesce a number of library categorical programs into one legislative authority designed to encourage and support demonstrations of improved library and information services and to promote the development of institutional networks for the sharing of resources.

We would be pleased to address any questions you may have, Mr. Chairman.

USE OF REVENUE SHARING FOR PUBLIC LIBRARIES

Senator **Brooke**. I understand HEW is still pointing to revenue sharing as a source of library funding. Unfortunately, not much has been allotted for libraries under revenue sharing. Would you supply us with a State breakdown of revenue sharing funds going to libraries?

Mr. **Hays**. Yes; we would be pleased to supply a detailed State-by-State breakdown for the record, Mr. Chairman.

[The information follows:]

General Revenue Sharing Funds
Used by States and Local Jurisdictions
for Public Libraries, Fiscal Year 1974

State	Maintenance and Operation Expenditures	Capital Expenditures
Alabama	$ 919,058	$ 602,224
Alaska	218,817	4,035
Arizona	383,835	340,981
Arkansas	231,898	542,581
California	1,400,517	5,062,649
Colorado	446,567	334,943
Connecticut	1,050,921	456,456
Delaware	462,729	10,045
Florida	248,499	900,125
Georgia	249,001	1,214,887
Hawaii	---	61,352
Idaho	38,766	163,403
Illinois	1,032,835	1,354,828
Indiana	17,536	138,64[illegible]
Iowa	411,507	434,897
Kansas	64,059	406,750
Kentucky	500,078	559,241
Louisiana	580,258	1,037,889
Maine	259,730	134,048
Maryland	2,028,303	15,130
Massachusetts	1,932,774	804,662
Michigan	1,247,835	1,300,748
Minnesota	804,448	807,516
Mississippi	333,885	296,959
Missouri	79,123	533,286
Montana	94,726	541,625
Nebraska	127,539	365,255
Nevada	81,000	6,000
New Hampshire	84,215	101,121
New Jersey	902,807	437,729
New Mexico	38,627	344,152
New York	8,699,795	847,083
North Carolina	1,496,339	5,838,638
North Dakota	57,455	83,115
Ohio	265,326	983,657

State	Maintenance and Operation Expenditures	Capital Expenditures
Oklahoma	58,098	572,381
Oregon	3,315,163	255,586
Pennsylvania	7,120,177	400,703
Rhode Island	145,600	4,996
South Carolina	315,338	714,417
South Dakota	75,463	65,381
Tennessee	1,139,310	1,241,279
Texas	1,707,005	3,180,503
Utah	73,870	677,685
Vermont	150,947	62,321
Virginia	612,857	1,029,533
Washington	1,424,429	386,165
West Virginia	476,683	316,672
Wisconsin	2,524,903	157,265
Wyoming	118,039	88,814
District of Columbia	---	---
Subtotals	46,048,700	36,220,356
TOTAL	$82,269,056	

Mr. **Hays**. Now I should indicate that the fiscal year 1974 record from the Department of the Treasury indicates that $82 million has been allocated for State and local library support; $6 million from the State level and $76 million at the local level. This is a significant increase from the previous 18 months, which was at an $18 million level.

We also have information to indicate that of the $82 million for the support of public libraries, 56 percent of that money went for operation and maintenance and 44 percent went for capital construction.

Senator **Brooke**. You will submit for the record a breakdown of the revenue sharing.

Mr. **Hays**. Yes; I would be delighted to do so.

I would also like to indicate that our rationale for decreasing our support for libraries is not only based on revenue-sharing funds; it is based primarily on the fact that we believe public library support is a State and local responsibility; and we have an exemplary record of a Federal program providing that support, Senator, since 1956 with matching funds from the local and State level of a 4-to-1 ratio to the Federal support. Also, as we have indicated in the opening statement, there has been a tremendous growth of State support.

Senator **Brooke**. It would appear, Commissioner Bell, that you are moving in this direction throughout HEW. I presume it is the policy.

Dr. **Bell**. That is a major policy decision.

Senator **Brooke**. We can expect this to run throughout all of your budget requests for 1976, I take it? It has in those that I have sat in on so far.

Dr. **Bell**. That is surely right, Senator Brooke.

Mr. **Miller**. Mr. Chairman, there is a distinction in fiscal year 1976 which we have to be careful to identify throughout HEW's budget. Some of this comes up in health, where we traditionally have had a discussion about what the Federal role is and whether there is one or is not. In the 1976 budget there are a number of places where we are saying there is a Federal role, but we think the States should pick up a greater share of the burden. This is not true, however, for our budget, as far as libraries is concerned, which is not changed in its approach in 1976 from what it has been for a number of years now.

Ms. **Beebe**. Also, if I might add, we are proposing new legislation which we think reflects a more appropriate Federal role. Since the basic public library facilities are now in place and services are available to 94 percent of the population, we feel that the Federal role would best be served by providing grants to support improved library practices, to demonstrate ways in which libraries can better serve their clientele, and to provide funds to enable various libraries of all kinds, either within the State or between States, in order to share their resources—for example, to hook up with the Library of Congress cataloging; or to hook up major medical libraries across the country; or to hook up all the libraries in a given community so that they can share their resources. We feel that the Federal role could best be served now with helping to improve the efficiency and the effectiveness of those resources which the States and locals are making in their investments in libraries.

Senator **Brooke**. Thank you, Ms. Beebe.

FEDERAL ROLE REGARDING LIBRARIES

Mr. Hays, what do you see as the Federal role? Are you satisfied with the policy? I presume you had some input into the policy. I can also see this is just an administration policy generally that sweeps across all departments of the Government and HEW is just one. But what do you see as the role of the Federal Government as far as libraries are concerned?

Mr. **Hays**. Mr. Chairman, we have carefully considered that question in the Office of Education.

Senator **Brooke**. Leaving aside money problems, just what do you think the Federal role should be.

Mr. **Hays**. In our analysis and questioning of ourselves and trying to come up with answers to that question for the past several years, realizing restrictions of the budget and the tightening of resources that have to be shared among various priority areas, our analysis indicates that where the Federal Government can provide a unique and vital role is primarily in two areas. As Mrs. Beebe indicated, one of these areas is providing the incentive for various types of libraries—public, academic, school, special libraries—to share their resources at the local, State, and regional levels.

We feel that with the Federal incentives there, we can get a greater return for our dollar and that the consumer will be better served, instead of everyone having the jurisdictional gate around their resources. We could provide some means to open up this sharing. We feel that that is one area that the Federal Government should address.

The other area that we have addressed through our programs throughout the years has been providing the incentive to serve the populations in this Nation better, particularly the disadvantaged and those who do not receive adequate services, the handicapped, and the institutionalized. That role, too, is a vital part of our new legislation. We feel that these two areas, given the resources that we have in the Federal Government during these days of austerity, are the areas where we ought to concentrate and target our funds.

Senator **Brooke**. You use the word "austerity." Commissioner Bell and I have had this exchange before. You are our experts. You are the eyes and the ears of Congress. You are the professionals. We have to determine how much money is available, obviously, for any particular department or program. But we would like to know what you recommend as the optimum as far as libraries are concerned. We, of course, consider the fact that you have monetary restraints on the programs you recommend. I do not see any inconsistency in you as professionals, the academics in this particular field, in telling us what you think should be done by the Federal Government, even though we are not in a position at this time in our history to provide funds for it. I take it that your recommendation and budget requests are based upon one, money, the restraints you have; and two, what you can do to end those monetary limitations.

But still, we want to know what you think is the best thing that can be done by the Federal Government; and, I take it you feel that they should just inspire State and local governments to spend more money in a meaningful library program. Is that what you are saying? Are you a catalyst?

Mr. HAYS. I believe that we have played several roles through the years; that is, to promote informational opportunity in the United States as well as our primary priority in the Office of Education which is to promote educational opportunity. We believe that libraries are part of that partnership, given the budget restraints that we have today. Working with the Commissioner in terms of the resources that he has, I think we have provided as much library support as we reasonably could.

Our position over the past several years has been adjusted. We came to you a few years ago suggesting the termination of all the library programs. Since that time we have adjusted our posture to a more reasonable phaseout of the Library Services and Construction Act. And we have proposed, and the administration has supported, proposed new legislation at a time when very few pieces of legislation are moving forward. What it will do is coalesce existing programs and emphasize those areas where we feel the Federal Government has a primary and principal responsibility in providing leadership and incentive.

TARGETING OF LSCA FUNDS

Senator BROOKE. Are you involved in targeting public library money at the State level?

Mr. HAYS. Yes; we are involved in targeting in the sense there that through the laws that are passed that indicate priorities, and through our regulations where we suggest priorities, we try to help the States target.

I would say in the latter part of 1960 through 1970 we have targeted our funds in all our programs to the disadvantaged a great deal.

Senator BROOKE. How do you make sure that the money is going to those who need it, such as the disadvantaged in urban and rural areas?

Mr. HAYS. Our information indicates that we have gone from supporting these areas with about 24 percent of our funds to now very close to 60 percent of our Federal dollars; the major program effort of LSCA is for the disadvantaged. In terms of the number of people having access, our statistics indicate that 28 million disadvantaged people now have access and can be served with library programs. This includes approximately 800,000 institutionalized people, and 400,000 handicapped.

Senator BROOKE. Do you have a breakdown as to the amount of public library funds that are used for administrative costs, as to the amount of money that is used for purchasing books?

Mr. HAYS. Our latest information is that approximately 6 to 7 percent of the LSCA fund is used for administrative costs.

Senator BROOKE. Six to seven percent?

Mr. HAYS. Yes, sir.

Senator BROOKE. The rest?

Mr. HAYS. Do you have a breakdown, Mr. Klassen?

Mr. KLASSEN. We purchased 84 million books under the program.

Senator BROOKE. What is the cost of that?

Mr. KLASSEN. The average cost per book over the last year has been $14.09.

Senator BROOKE. Do you have the actual costs there, that you spent for purchasing books?

Mr. **Hays**. We do not have those immediately available.

Senator **Brooke**. Would you supply that for the record?

Mr. **Hays**. We would be pleased to do so.

Senator **Brooke**. The breakdown of how much of the public library funds covers administrative costs, and how much covers books.

Mr. **Hays**. Yes, sir.

We know that since the 6 or 7 percent is for administrative costs, the other is for processing, providing services, providing salaries, and purchasing books and other equipment. We would be pleased to provide a breakdown on all those categories for you.

[The information follows:]

The breakdown of expenditures for the Library Services and Construction Act, title I (Services) including State and local matching funds:

(Data based on the latest complete reporting year, fiscal year 1973.)

	Amount	Percent
(a) LSCA, title I	$30,000,000	
State and local funds	438,711,149	
Total	468,711,149	
(b) Salaries and wages	241,171,693	51.5
Books and other printed materials	178,961,049	38.2
Audiovisual materials	9,890,375	2.1
Equipment	7,039,999	1.5
Operating expenses	31,648,033	6.7
Total	468,711,149	100.0

(c) Of the LSCA funds administered from title I (title I, $30,000,000: title II, $2,738,963; title III, $2,730,000), 7.4% or $2,652,161 was used for Administration of all projects under these titles.

BOOKS FOR VOCATIONAL TRAINING

Senator **Brooke**. Has there been an increase in purchase of books used for vocational training?

Mr. **Hays**. I have no statistics on that as far as the public library program. I would like to refer to my associate, Ms. Mahar, for school library data.

Ms. **Mahar**. We have continued to support all kinds of purposes and all kinds of special needs, and vocational education is one of them. The vocational educational programs themselves have money to buy books, and I do not have their figures. But under the title II program, we have a lot of funds going into expenditures for career education. We actually have an amendment to the title II program that we had to add last year insuring that each State will give particular attention to materials for career education. We are presently collecting data on that year. I would say probably around 10 percent of our allotment in the title II program would go for career and occupational materials.

Senator **Brooke**. Of course, in vocational education the purchase of books is for the school systems themselves. I am speaking about libraries. Have you noted any increase of books that are being purchased for vocational education?

Ms. **Mahar**. Yes. You see, this has been a high priority of the Office of Education for a number of years, vocational and career education; so there has been an increase in it and more money spent.

Mr. Hays. Mr. Chairman, I should also note that in the public library program we have encouraged the States to provide materials that would be relevant particularly to the disadvantaged and to provide both consumer information and information that would provide for increased opportunties to find employment. We continue to encourage exemplary projects and extended service in those areas.

Senator Brooke. In the GAO report—I am referring back now to my previous question—on page 21, and I read, "State financial reports for fiscal year 1972 reveal that all States retained large percentages of title I funds at the State level for administration, and support services or for statewide projects."

Would you comment upon that?

Mr. Hays. Yes. I think the GAO report that you have before you is an analysis of LSCA programs in Ohio and Michigan. We have read the report and have considered it carefully.

As they have indicated, some States do retain a larger share of the money than others. The figure that I gave you of 6 to 7 percent is a nationwide average. The GAO report comments particularly on the State of Michigan. In the State of Michigan the retention of money at the State level is to provide statewide services. The 60 percent, or whatever the figure in the report is, is not just for administrative support. The State runs services and it is operating on the State level, thus giving the impression that the State retains a larger share of money than others. But a large part of that money is for services.

Senator Brooke. GAO also reported that the States were not distributing to the school library funds on the basis of need. Have you done anything to correct this situation? Are you that far apart from the States?

Mr. Hays. We believe that the States could do a better job. Ms. Mahar and her staff with the school library program have worked very hard since ESEA started in 1965 to have the States address need and to use that as a primary condition for their allocation. Some of the States do well, and some do not do so well. We have worked with them in terms of workshops and other leadership methods to show the methods of evaluation and how needs assessment could be performed. We still encourage them and hope that they would do a better job.

Ms. Mahar and her staff perform State management reviews. They go out to the States and work with them as to how they could better allocate their money according to need and to provide the appropriate technical assistance to accomplish this. As we move into a new form of support for the school library program with ESEA title IV-B, it is our hope that we will be able to have a little strong language, a stronger way of encouraging the States to address need as a primary means for allocation. We should note, though, when the ESEA II program started, our estimates indicate that 50 percent of the elementary schools had school libraries or media centers. Today 81 percent of the elementary and 94 percent of the secondary schools have media or library centers.

MONITORING OF SCHOOL LIBRARY PROGRAM

Senator Brooke. How efficient is your monitoring of the library system?

Mr. **Hays**. I would like to refer to Ms. Mahar on that, if I may.

Ms. **Mahar**. Our monitoring system of ESEA II?

Senator **Brooke**. Yes.

Ms. **Mahar**. I think within our limitations for travel we do fairly well I have tried to schedule one-third of the States each year.

Senator **Brooke**. When you say "our," how many people are you speaking of?

Ms. **Mahar**. Who travel? Six.

Senator **Brooke**. Over the whole country?

Ms. **Mahar**. Yes.

Senator **Brooke**. Does that comprise the entire monitoring staff, so to speak?

Ms. **Mahar**. That is right. Each person usually takes a week in each State to review the programs in the State department of education, and then visit representative schools to see how the program is operating in those schools. We have done each State once since we started the program but we have not been able to go back as much as we would like to. We also, however, have one or two conferences every year with the program coordinators of State departments of education, and we get information that way, and also get reports.

Senator **Brooke**. Do you have personnel in the regional office?

Ms. **Mahar**. No, we do not.

MONITORING OF PUBLIC LIBRARY PROGRAMS

Mr. **Hays**. Mr. Chairman, I should expand on Ms. Mahar's answer to that. We do have people in the regions who are knowledgeable about libraries. We have library program officers. While they do not directly relate to ESEA II, they are available to provide assistance in cooperation with Ms. Mahar and her staff.

Senator **Brooke**. They have other responsibilities?

Mr. **Hays**. Their primary responsibility—

Senator **Brooke**. Their primary responsibility is not libraries?

Mr. **Hays**. Their primary responsibility is to help us effectively administer the Library Services and Construction Act. That is their primary purpose for being in the regional offices.

Dr. **Bell**. That relates, Mr. Chairman, more to higher education and the public libraries, I guess, and the ESEA title II that we are talking about relates to elementary and secondary schools.

Senator **Brooke**. Do you have one in each regional office?

Mr. **Hays**. Yes, sir. We have a regional program officer for libraries in each regional office.

Senator **Brooke**. What is the title?

Mr. **Hays**. Regional program officer for libraries. That is the generic term. Each office may have a different title that it may use in its own area.

Senator **Brooke**. Do most of the States or do all the States have monitoring systems of their own?

Mr. **Hays**. For ESEA II, sir?

I believe that they do. Ms. Mahar?

Ms. **Mahar**. Yes, they do.

Senator **Brooke**. Do you review their system as well?

Ms. **Mahar**. Yes, we do. We review the kinds of in-service and monitoring activities that they conduct with all the school districts, and we ask very pointed questions about those for their annual narrative report. We have narrative reports on programs both under title II and title III. We encourage them to conduct in-service programs, and we make suggestions for conducting such programs.

Senator **Brooke**. I am sure some of the States come up with good ideas, innovative ideas and techniques. Does HEW have any mechanism for communicating these good techniques and ideas to other States?

Ms **Mahar**. We frequently have conferences in which the States do demonstrations on the kinds of programs that they are doing, individual States, so that they could share them with the others. We have had quite a few of those show and tell demonstrations, and they can be very effective, because many of the suggestions are adopted in other States. Of course, there are other ways, very formal ways of dissemination that are developed in the Office of Education in the ESEA title III program. We do work very hard to disseminate ideas. We also disseminate ideas for good reading programs and school media programs through a publication, "ESEA title II and The Right to Read," that gives descriptive material about the programs. That information is widely disseminated among the States, so they may replicate or emulate in some way other programs.

Mr. **Hays**. Mr. Chairman, I would like to say Ms. Mahar and her staff have been most prolific in providing materials, helpful hints, leadership, and guidance to State and local bodies. In addition to monitoring systems that Ms. Mahar has outlined for school libraries, we periodically call the directors of the school library programs to meet with them in the State and go over ideas to be shared, and where our staff can meet with them and go over problems in an aggregate way.

Senator **Brooke**. If they profit by the successes, I hope they also can avoid the mistakes that are made. You do disseminate information to the States?

Mr. **Hays**. Yes, we certainly do.

Dr. **Bell**. A strong part of the administration proposal would be to spread libraries a little more aggressively than we do now. I may comment, a major issue that constantly comes up in the GAO reports in expressing their disappointment and criticism of the Office of Education in monitoring relates to our role in the staffing for this role. We have a total staff of around 3,000 people, and we always need to entertain the possibility that we could use them more efficiently than we do. So, I do not want to give an alibi about this, but I would indicate that as large as the Nation is and as complex as our programs are in administrating 120 programs, we do not have a large enough staff to monitor. The best that we can do in most of our programs is sampling techniques, and we are just not staffed up to do the kinds of monitoring that I feel is implied in the criticism that I read in GAO reports. We had quite a strong report on vocational education, again on education to the handicapped, and I am sure you do not want to get off on that.

But while we are talking about monitoring, I would like to say that I do not feel that we have that size staff. There are State departments of education with a larger staff than the Office of Education. So we are really not staffed up for intensive, strong monitoring.

Senator **Brooke.** I think you brought that to my attention the other day. I do not consider that you are alibiing. I just take it as a statement of fact, that you work with what you have to work with and your monitoring services are probably no better than the number and quality of people you have to work with. But monitoring and evaluation we agree is an essential part of your work.

Dr. **Bell.** Yes, sir.

COLLEGE LIBRARY RESOURCES

Senator **Brooke.** Mr. Hays, if HEW pulls out of the college library program, is that going to mean that colleges will either have to raise their tuitions or the library program is going to stagnate in colleges?

Mr. **Hays.** We would hope that the library programs would not stagnate.

Senator **Brooke.** Would you also hope they would not raise tuition for those of us who have to pay it?

Mr. **Hays.** As one who has a young man going to school next year, I am looking at that. The analysis indicates that approximately 6 percent of the higher education institution's budget is devoted to libraries. Our contribution to that 6 percent is indeed very minor. Our program which provides materials in support of college libraries is HEA II–A. It provides grants to all accredited universities, colleges, junior colleges, and other educational institutions. The grant this year will be approximately $4,000 per institution.

Senator **Brooke.** How many applicants have you had for that?

Mr. **Hays.** Approximately 2,700, which is about the universe of potential applicants.

Senator **Brooke.** What do you estimate?

Mr. **Hays.** 2,500 to 2,600 grants.

Mr. **Miller.** Senator, I would like to underscore this one. I was going to jump in on this, even if you did not ask the question, and if Dr. Bell and Mr. Hays want to disown me on this, they are welcome to do it.

I think this is one of those programs that even if we had a lot of money we would be recommending what we have been recommending in recent years. This program is one of those small categorical programs.

Senator **Brooke.** You have asked for no funds for the last 3 years.

Mr. **Miller.** I do not know if you caught what Mr. Hays said but every college library in the country which has qualified—that is, practically every one of them—gets between $4,000 and $5,000. That means that the taxpayers of the Nation are supporting a program that gives that kind of money to the Harvard University Library, the Princeton Library, all over the country, a tiny amount of money.

I really think on the merits of that program it is simply not cost effective.

Senator **Brooke.** Do you think it should be done on the basis of need?

Mr. **Miller.** I am not sure what the Federal role should be on college libraries. I think Mr. Hays would agree whatever the Federal role should be, it should be in general institutional support and student assistance. I personally do not think there should be a separate program directed at libraries. What the overall Federal role should be in support of student assistance and institutional support is something that ought to be resolved in the arena that the Office of Education is testifying now in the legislative committees.

Senator **Brooke**. Do they use this money for libraries? Is there some question about it?

Mr. **Miller**. Excuse me. Perhaps I misunderstood your question.

Senator **Brooke**. You are not suggesting that some of the money is not used?

Mr. **Miller**. No. I am not suggesting that if there were a program of student support or institutional support, that the money could not be used for libraries.

I am suggesting that a separate small program like this, directed at college libraries, is obsolete.

Senator **Brooke**. How successful has the program been? I take it [illegible] saying give the money to the institutions and let them make [illegible] decision as to whether the money ought to be spent for libraries or for a hockey rink or something else.

Mr. **Miller**. Or it may be that it would be spent on student assistance. I am not sure.

Senator **Brooke**. We have student assistant programs. You mean take that money and add it to the student assistance programs?

Mr. **Miller**. I would like Dr. Bell to speak to this, but if we are going to spend more money on higher education, it ought to be in the area of student assistance and possibly in programs of institutional support, but not in a categorical program such as this.

Senator **Brooke**. You do not have anything against libraries, do you?

Mr. **Miller**. Not a thing.

Senator **Brooke**. I think libraries are essential. They are a very important part of the educational process, and most colleges do not have libraries that are really adequate for their needs. I quite agree with you. If it is a program of, say, giving Harvard University, which has all sorts of resources——

Mr. **Miller**. They get the same amount as everybody else.

Senator **Brooke**. Getting the same amount as Biloxi College is getting. I can understand the inequities there. It would have to be reviewed and altered. But the Congress has said that they wanted to do it this way, that they really wanted to fund libraries directly. They wanted to be sure that this money was used, earmarked, authorized, appropriated, by the Congress for this specific purpose.

FEDERAL ROLE IN COLLEGE LIBRARY PROGRAMS

Dr. **Bell**. Suppose, going back to the question you posed that possibly we did not answer too well. Leaving the money out of it, what do you think ought to be our role and responsibility?

I would say if we were to have a program of aid to libraries, I think that it ought to redress the inequities that exist and I think they are enormous. Some of our developing institutions need a considerable amount of assistance and if the program were to continue and were the legislation to be renewed, I would hope that the provision it now has may be changed and I know that is difficult because you get programs passed in Congress when everyone gets at least part of the action.

Mr. **Hays**. Mr. Chairman, I think we should also note that with the new proposed legislation, the Library Partnership Act, there is emphasis here in sharing the resources. We would hope we could help address the academic library need by having colleges and other institutions share their resources so each institution would not have to develop its own collection of periodicals and books, and that there could be economies of scale in terms of purchasing. We hope that would be a major assistance not only to college libraries but to other library institutions and their users.

Senator **Brooke**. Mr. Hays, for 3 years in a row now you have not requested, as I pointed out to Mr. Miller, any money for this program. You have indicated that the $5,000 amount, the grant that Mr. Miller spoke of was too small.

Now we hear constantly, particularly from small colleges both public and private, that they do not have adequate library facilities and they need this money. And you have all sorts of applications, HEA II–A. The Congress, as I indicated, has made it clear what its intent is with all due respect to those who oppose it. And I can side with Mr. Miller insofar as the inequities are concerned. I am glad the Commissioner pointed that out. The program should be an equitable program. I could see rewriting the program as the basis for qualifying for the grant. But I cannot see how you, in good conscience, can indicate that the program is a total failure, as to why you are not up here requesting and asking for money for this particular program. We want it. Congress has said that it wants it.

If you have any reason why it should not continue, tell us. I am not convinced that you have made a case against this particular program. You may have made the case against inequities in the program but you have not made a case against the program itself. And if you have something that you have not told us, I guess you should clear it up for the record because the record will be read.

And I think if you feel that this program is not a good program, let us know, but let us know why.

COMPARISON OF HEA II AND HEA III

Dr. **Bell**. I think, Mr. Chairman, as we look at all our budget categories and we get x number of dollars to allocate, that we could find other programs that we think are more cost effective. Take, for example, the developing institutions program. Now, this is on the basis of need, institutions who are struggling and developing and trying to bring their academic excellence up. You know we spend about $100 million a year on that, and if I were to look at a tradeoff by putting another $10 million in that or putting $10 million in this program, I would then opt for the developing institutions program, because then I would have the authority to target where the need is, and this is legislative authority where we do not have that.

Of course, under developing institutions, in their plan for development, a college can, and many of them do, use these funds to strengthen libraries. So as a tradeoff on this, given the reality of the scarce resources we operate with, I think we can make a better case there than just to say that the program, you know, is not any good.

Mr. **Hays**. I do not think our position has ever been that the program is not any good. The position is, given scarce resources, primary institutional support, not only with libraries but various other categories, can be better allocated to direct student aid.

I should note for the record, Mr. Chairman, that the Office of Education has suggested specific changes in HEA title II–A, so that it can be targeted for institutions of need. But that request was denied.

If I may, I would like to go back to one of your previous questions where you were asking about monitoring. I was remiss in not going into our monitoring system for public library programs. This past year we have initiated State management reviews in the State library agencies. We plan to be meeting with approximately 10 States each year in order to make sure that they are better adjusting their priorities. They indicate to us they will follow the laws and the regulations involved.

In addition, the monitoring there is more direct since we have library program officers in the region who can work day to day with the States. But I think our previous conversation was mostly on school libraries, and I wanted to be sure we have for the record our program monitoring for public libraries.

Senator **Brooke**. Thank you. I will not pursue the library grant program any further. I understand your position. It is not that you feel that the grant program is ineffective; it is just a question of cost effectiveness overall. And you feel that you get a better value of your educational dollar elsewhere in the program.

Two, after that you mentioned inequities that existed in the program. Of course, libraries, like every other institution in every part of the country, are suffering from the pains of inflation. What effect has this had, such as on bookmobiles and libraries in rural areas that I understand may be closing?

IMPACT OF INFLATION ON LIBRARIES

Mr. **Hays**. Mr. Chairman, there is no question that inflation has had a tremendous impact on our libraries as well as it has on other institutions. Just the price of books has increased approximately 15 percent since last year. In terms of the bookmobiles, I am proud to indicate that the Federal Government helped purchase 690 of these vehicles to extend services to outreach and rural areas. There are some indications that the States have had to adjust and curtail services in some areas. There are some heartening prospects for more economical delivery systems, such as books by mail. We are trying to demonstrate how effective these programs will eventually be.

Preliminary results indicate that such programs may be a more cost-effective delivery system.

Senator **Brooke**. What has happened to the bookmobiles? You say there has been some curtailment of that program?

Mr. **Hays**. Yes, sir.

Senator **Brooke**. How many bookmobiles are there in the country?

Mr. **Hays**. We do not have any numbers on the universe of bookmobiles in the Nation. We know that with our Library Services and Construction Act funds we have helped support the purchase of 690.

Obviously, there are others that were not purchased with Federal funds. The information that we have on curtailment is very general. We have no specific information. Information coming from professional associations and groups has indicated there have been some cutbacks in this area.

REVENUE SHARING USED AS REPLACEMENT FUNDS

Senator **Brooke**. As a rationale for only asking for $10 million for the public library programs, I note that $82 million in general revenue sharing was used for library purposes.

Have you found out how much of this $82 million was used as replacement funds, as a substitute for State or local support that the libraries previously received?

Mr. **Hays**. No; we have not, sir. We just received the latest report from the Department of Treasury. Their analysis is very general. We know the amounts of money and how much money has gone for operation and maintenance and how much has gone for capital outlays, but that is the extent of their analysis and information at this time.

Senator **Brooke**. What has this money been used for? The handicapped or for construction? Do you have any idea?

Mr. **Hays**. The revenue sharing, sir?

Senator **Brooke**. Yes.

Mr. **Hays**. We know that $76 million of the $82 million was used at the local level. Of that, 56 percent was for operation and maintenance of the public libraries that are providing service and 44 percent was for capital improvement. We have no further breakdown as to the clientele served. As you asked in the beginning, we are going to provide for the record a detailed State-by-State breakdown.

Senator **Brooke**. According to the GAO report, through May of 1973, most States had not used general revenue-sharing funds for their State libraries. The success of local public libraries in receiving general revenue-sharing funds was not much better. For an 18-month period ending June 30, 1973, public libraries received less than 1 percent of the funds available to the local governments. Public safety received 23 percent; public transportation 15 percent. In the State of Michigan, only 18 of 350 public libraries received general revenue-sharing funds in 1973.

You may remember I asked what you were doing, if anything, to encourage State and local governments to use general revenue sharing for library purposes.

Mr. **Hays**. Mr. Chairman, our records indicate that during the 18-month period ending June 1973, support from general revenue sharing for libraries was 1 percent, or $18.4 million. The heartening thing is the substantial growth in fiscal year 1974 to $82.3 million. In terms of what we have done to get the word out and to encourage States and localities——

Senator **Brooke**. What percentage is that?

Mr. **Hays**. It still is 1 percent. In getting the word out to State and local governments about the availability of general revenue-sharing moneys, we have been most explicit in terms of the regional and national meetings to tell the States and local officials that we intend to phase out the public library program and move into our Library Partnership Act and that operation and maintenance money is available through general revenue sharing. In fact, at the local level it is one of the eight priority areas listed in the law.

It is up to the local governments to make their own decisions and for the library people to do their best to make their presentations and to gather as much support as they can.

PROPOSED LIBRARY PARTNERSHIP ACT

Senator **Brooke**. Can you give us a brief rundown on the new legislation?

Mr. **Hays**. I would be delighted. The new legislation emphasizes two areas which we believe at this time to be the primary Federal focus where we could assist most in library development and provide services in the most efficient and economical way.

One of the two areas is the sharing of resources—interlibrary cooperation, if you will—between all forms of libaries, school, academic, special, public, to form them into networks where these resources could be shared through local, State, and regional levels. We feel we have a tremendous role to play there and we wish to continue.

You might note that the Library Services and Construction Act, title III, provides that authority now. We believe that bringing it into a more broadly based focus in a new legislative package would aid us in our cause of moving this thrust.

The next area of concentration in the new library legislation is demonstration. How can we demonstrate that libraries can be more effective institutions in our Nation, as an educational resource, a cultural resource, as an academic resource? We feel that the primary role that we have played with our public library program throughout the years has been to stimulate such exemplary projects.

We believe that now we can focus better. Still, stimulation is needed. Instead of providing support to all States in grant form, we would provide discretionary grants and contracts to support national demonstrations as well as provide support for local demonstration projects.

The new legislation concentrates on areas where there are particular needs, the disadvantaged, the handicapped, and the institutionalized. These would be specific priorities of that legislation.

Senator **Brooke**. If this new legislation is not enacted in time and there is a problem that it will not be, are you prepared to amend your budget request at this time?

Mr. **Hays**. We anticipate favorable treatment, Mr. Chairman.

Senator **Brooke**. You always anticipate favorable treatment.

Mr. **Hays**. The Secretary sent to Congress, on March 6, our request for that favorable consideration. We will await your judgment on that. We hope it is favorable.

Senator **Brooke**. I will give you my personal judgment; it is within the realm of probability, but no more. I am just trying to ascertain if it is not enacted whether you are prepared to amend your budget request?

Mr. **Hays**. At this time, sir, we are prepared to administer the act when and if it is passed by the Congress of the United States.

Senator **Brooke**. That is not responsive to my question.

Mr. **Miller**. The answer is "no."

Dr. **Bell**. The answer is "no," Mr. Chairman.

Senator **Brooke**. I gathered the answer was "no," but I thought that librarians spoke more directly.

STATUS OF THE OFFICE OF LIBRARIES AND LEARNING RESOURCES

Senator **Brooke**. What is the status of the new Office of Libraries and Learning Resources mandated by the Education Amendments of 1974, Public Law 93-380?

Mr. **Hays**. The Office was officially established in the Bureau of School Systems effective January 19, 1975.

Senator **Brooke**. Who is the director of this Office?

Mr. **Hays**. I am the director, in an acting capacity.

Senator **Brooke**. How much have you budgeted for this Office in the fiscal year 1976 request?

Mr. **Hays**. The request is for $147,330,000.

Senator **Brooke**. How does this compare with last year's funds?

Mr. **Hays**. A comparable total for the fiscal year 1975 appropriation is $207,804,000.

Senator **Brooke**. How many professionals are employed in the office now?

Mr. **Hays**. We have 25 professionals and 5 paraprofessionals employed at the present time.

Senator **Brooke**. How does this compare with last year?

Mr. **Hays**. We had the same number of people in fiscal year 1974.

LIBRARY PARTNERSHIP ACT

Senator **Brooke**. What is the status of the library partnership proposal?

Mr. **Hays**. In his letter of March 6, 1975, to the Speaker of the House, Secretary Weinberger transmitted the proposed Library Partnership Act to the 94th Congress and recommended its favorable consideration and passage.

Senator **Brooke**. LSCA III authorizes funds for a similar purpose—to encourage interlibrary cooperation. Why are you asking us to terminate LSCA III if you are trying to stimulate this kind of cooperative endeavor?

Mr. **Hays**. The proposed Library Partnership Act would coalesce a number of these library-related categorical programs into one legislative authority. The Federal policy for libraries would provide discretionary support for national demonstrations of improved methods of library and information services. It would also promote the development of cost-saving networks for the sharing of resources within communities and among local, State, and regional jurisdictions. This latter activity would be promoted through efforts coming from all types of libraries, not just through public library management initiatives.

Senator **Brooke**. I understand the Library Partnership Act is a discretionary program, whereas the existing LSCA programs are State grants. In the light of the administration's enthusiasm for general revenue sharing, I am surprised at your desire to introduce a law removing even more decisionmaking power from State and local officials. How does this fit in with the administration's concept of federalism? Do you feel the Commissioner of Education is in a better position to make decisions on interlibrary cooperation projects than the people in the States?

Mr. Hays. Under the proposed Library Partnership Act, project applicants for financial assistance would complete an application which would require assurance that the proposed project has been submitted to the State library administrative agencies and, in the case of interstate projects, the Governors of the affected States afforded an opportunity to review and comment on the proposed activity.

Drawing on this State involvement, the Commissioner of Education should be in an informed position to determine national concerns and priorities and establish criteria for the funding of specific national demonstrations of improved library and information services and the development of interlibrary cooperation among school, academic, special, and public libraries.

Senator Brooke. When do you expect to ask for funds under the library partnership proposal?

Mr. Hays. Secretary Weinberger, in his letter to the Speaker of the House, requested prompt consideration of the proposed bill or inclusion in the fiscal year 1976 budget. Upon passage of the act, a supplemental appropriation request for $20 million will be transmitted to the Congress.

Senator Brooke. How will this timetable affect the budgets of existing library programs in the States?

Mr. Hays. For the last 3 fiscal years the administration has proposed a phase down of the present categorical Federal public library programs while shifting support to a more broadbased legislative proposal encompassing support for comprehensive informational programs involving public, school, and academic libraries in cooperative service activities. The posture of reduced or no funding was based on the position that categorical and operational support funding was properly the responsibility of State and local governments. During this period the Federal role has been to encourage the States and local jurisdictions to begin to build from these Federal seed funds to sustaining levels by the operational support agencies at the State and local level.

The primary support for public and academic library programs would be borne by these jurisdictions and institutions or circuited through focused support of projects funded under the proposed Library Partnership Act beginning in fiscal year 1976. As you will note, we will continue to request library support for our Nation's schools through advance funding of the libraries and instructional resources section of the Elementary and Secondary Education Act.

CURRENT NEED FOR LIBRARIANS

Senator Brooke. You say the supply and demand of librarians is about at an equilibrium. Yet there is a demonstrated need for librarians to serve minority and disadvantaged and handicapped persons. What are we going to do about filling this need? Furthermore, the Government through the National Science Foundation, the National Commission on Libraries and Information Science, and other agencies, is spending millions developing a national information technology. If we terminate these library training programs, how do you expect to upgrade the talents of practicing librarians who serve the public?

Mr. HAYS. A recent Department of Labor study indicates that the job market for librarians has been very tight since 1970. An analysis of factors today points to a marked slowdown for library occupations over the 1970–85 period, with any increase occurring after 1980. The study projects 11,200 openings for librarians per year to 1985 with 9,000 new graduates filling these jobs each year. With 2,200 estimated jobs to be filled by entrants and reentrants over this same period, a certain equilibrium may have been reached.

The same study did indicate, however, a continuing need for community outreach librarians, media/audiovisual specialists, library automation specialists and minorities in the profession.

Since 1966 the administration has funded library career training programs with $39.6 million directed primarily to these priorities. We feel the administration's Federal rôle would now more appropriately be served by the Library Partnership Act where national demonstrations of new training techniques and philosophies might be tested and supported.

IMPOUNDMENT OF FUNDS

Senator BROOKE. The Comptroller General on February 17 reclassified the administration's proposed deferral of library funds as a rescission. Congress has subsequently rejected the President's request to rescind this appropriation. I was therefore, surprised to see in the Federal Register for March 18 that these library resources funds were again listed as a deferral. Why aren't you releasing these funds?

Mr. HAYS. The March 18 Federal Register provided a summary listing of the administration's recommended rescissions and deferrals for fiscal year 1975 which the House and Senate had rejected. Funds were released on March 17 and are being processed at this time.

TRANSITIONAL QUARTER BETWEEN 1976 AND 1977

Senator BROOKE. What about funding for the transitional quarter? You recommend $10 million for the Library Services and Construction Act in fiscal year 1976. What do you recommend for this program in the transitional quarter, July/September 1976?

Mr. HAYS. No funds are requested, since the administration is proposing that fiscal year 1976 will be the last year of operation for the LSCA programs.

Senator BROOKE. You recommend $20 million in fiscal year 1976 for new legislation, the Library Partnership Act. Assuming this program is enacted, what would you recommend for the transitional quarter for this program?

Mr. HAYS. This new legislation would provide discretionary funding, and it is anticipated that the grants and contracts would be awarded toward the end of each fiscal year. Therefore, no funds are requested for the transitional quarter.

Senator BROOKE. We have already advance-appropriated $137,300,000 for the new ESEA title IV–B for fiscal year 1976, which you requested us to do. Now, what about funds for this program in the transitional quarter? What do you recommend?

Mr. HAYS. Additional funding for the transitional quarter will not be required, since it is expected that the fiscal year 1977 funds will be appropriated in advance and will become available at the beginning of this transitional quarter.

JUSITIFCATION

Senator BROOKE. I have no further questions concerning library resources. We will put your budget justification material in the record.

[The justification follow:]

Justification

Appropriation Estimate

LIBRARY RESOURCES

For carrying out, to the extent not otherwise provided, [titles I ($49,155,000) and III ($2,594,000)] 1/ *title I ($10,000,000)* of the Library Services and Construction Act (20 U.S.C. ch. 16); and [title II (except section 231) and title VI ($7,500,000) of the Higher Education Act; 1/ $72,224,000] *title IV, part B ($137,330,000) of the Elementary and Secondary Education Act; $147,330,000: Provided, That the amount appropriated above for title IV, part B of the Elementary and Secondary Education Act shall become available for obligation on July 1, 1976, and shall remain available through September 30, 1977.*

[For carrying out title II of the Elementary and Secondary Education Act, $95,250,000.] 2/

NOTE: Additional funds are not required for the interim period of July 1, 1976, through September 30, 1976.

(Additional authorizing legislation to be proposed for $20,000,000.)

Explanation of Language Changes

1. Language has been deleted for activities for which funding is not requested in 1976, i.e., interlibrary cooperation (LSCA III), college library resources (HEA II-A), librarian training (HEA II-B), library demonstrations (HEA II-B), and undergraduate instructional equipment (HEA VI-A).

2. The school library resources program (ESEA II) is now a part of the consolidated program of libraries and instructional resources (ESEA IV-B) for which $137,330,000 is requested herein.

Amounts Available for Obligation

	1975 Revised	1976	1976 Advance for 1977
Appropriation	$167,474,000	$ 10,000,000	$137,330,000
Proposed rescission	-52,224,000	---	---
Subtotal, adjusted appropriation	115,250,000	10,000,000	137,330,000
Comparative transfer from:			
"Elementary and secondary education" for libraries and instructional resources	40,330,000	137,330,000	---
Subtotal, budget authority	155,580,000	147,330,000	137,330,000
Unobligated balance, start of year	5,223,604	238,398	238,398
Unobligated balance, end of year	-238,398	-238,398	-238,398
Total, obligations	160,565,206	147,330,000	137,330,000

Summary of Changes

1975 Estimated obligations..................................	$212,789,206
Less: Proposed rescission..................................	-52,224,000
Subtotal, 1975 revised obligations.................	160,565,206
1976 Estimated obligations..................................	147,330,000
Net change	-13,235,206
1976 Advance for 1977, estimated obligations................	137,330,000

	1975 Base	Change from Base	1976 Base	Change from Base
Increase:				
Program:				
1. Libraries and instructional resources (consolidated program)	$ ---	$+137,330,000	$137,330,000	$ ---
Decreases:				
Program:				
1. Grants for public libraries	25,000,000	-15,000,000	10,000,000	-10,000,000
2. Public library construction....	4,213,015	- 4,213,015	---	---
3. School library resources.......	90,250,000	-90,250,000	---	---
4. Equipment and minor remodeling......	21,500,000	-21,500,000	---	---
5. Guidance, counseling and testing	18,830,000	-18,830,000	---	---
6. Undergraduate instructional equipment.......	772,191	-772,191	----	---
Total decreases		-150,565,206		-10,000,000
Total,net change		-13,235,206		-10,000,000

Explanation of Changes

Increase:

Program:

1. Libraries and instructional resources (consolidated program)--The funds to initiate this program in 1976 were provided by the Congress as advance funding in 1975. The funding level requested for 1977 is the same as in 1976.

Decreases:

Program:

1. Grants for public libraries--The 1976 budget is requesting phase-down funding for this program at the level of $10,000,000. It is anticipated that the States and localities will continue to expand their funding levels as their individual needs require.

2. Public library construction--No funds were appropriated for this program in 1975. The amount represents the unobligated carryover funds from 1973.

3.) The decreases shown above for school library resources, equipment and minor
4.) remodeling, and guidance, counseling, and testing have already been agreed
5.) to by the Congress, as these programs were consolidated into the libraries and instructional resources program and are therefore terminated as separate programs beginning in 1976.

6. Undergraduate instructional equipment--The revised 1975 level for this program is zero. The amount of $772,191 represents the unobligated carryover funds from 1973.

Obligations by Activity

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Public libraries:				
(a) Services:				
(1) Grants for public libraries..........	$49,155,000	$25,000,000	$10,000,000	$-15,000,000
(2) Interlibrary cooperation..........	2,594,000	---	---	---
(b) Construction..........	4,213,015	4,213,015	---	- 4,213,015
Libraries and instructional resources..................	135,580,000	130,580,000	137,330,000	+ 6,750,000
(1976 advance for 1977)...			(137,330,000)	
College library resources..	9,975,000	---	---	---
Training and demonstrations:				
(a) Librarian training....	2,000,000	---	---	---
(b) Library demonstrations	1,000,000	---	---	---
Undergraduate instructional equipment..................	8,272,191	772,191	---	- 772,191
Total obligations..............	212,789,206	160,565,206	147,330,000	-13,235,206
(1976 advance for 1977).......			(137,330,000)	

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Grants, subsidies, and contributions.............	$212,789,206	$160,565,206	$147,330,000	$-13,235,206
(1976 advance for 1977)...			(137,330,000)	
Total obligations by object	212,789,206	160,565,206	147,330,000	-13,235,206
(1976 advance for 1977)...			(137,330,000	

Significant Item in the Senate Appropriations Committee Report

Item	Action taken or to be taken
Grants to States for older readers services Committee encouragement toward the expansion of library services to the elderly.	The Department feels that the States may use, as they deem necessary, funds from grants for public libraries (LSCA I) for special clientele groups.

Authorizing Legislation

	1976		1976 Advance for 1977	
	Authorized	Appropriation Requested	Authorized	Appropriation Requested
Library Services and Construction Act:				
Title I--Grants for public library services..........	$137,150,000	$ 10,000,000	N.A.	
Title II--Construction of public libraries..........	97,000,000	---	N.A.	
Title III--Interlibrary cooperation...............	18,200,000	---	N.A.	
Title IV--Grants to States for older readers services	Indefinite	---	N.A.	
Elementary and Secondary Education Act:				
Title IV-B--Libraries and instructional resources...	395,000,000	137,330,000 1/	Indefinite	$137,330,000
Higher Education Act:				
Title II, Part A--College library resources.........	70,000,000 2/	---	N.A.	
Title II, Part B, Section 222--Librarian training...	(30,000,000 2/	---	N.A.	
Title II, Part B, Section 223--Library demonstrations......................	(			
Title VI, Part A--Undergraduate instructional equipment.................	70,000,000 2/	---	N.A.	

1/ Advance appropriation realized through fiscal year 1975 Supplemental Appropriation Act, P.L. 93-554.

2/ Authorization based on one-year extension under GEPA.

N.A. - Not Applicable

Library Resources

Year		Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966		$320,700,000	$288,200,000	$288,200,000	$288,200,000
1967		291,500,000	310,000,000	311,300,000	332,000,000
1968		298,800,000	298,257,000	339,257,000	312,005,000
1969		187,144,000	99,894,000	260,394,000	246,384,000
1970		41,880,000	214,305,000	265,555,000	153,382,250
1971		131,430,000	161,680,000	256,765,000	200,772,000
1972		107,250,000	167,709,000	296,709,000	226,209,000
1973		140,587,000	202,357,000	292,357,000	265,157,000
1974		---	201,209,000	319,209,000	191,626,000
1975		137,000,000	173,974,000	223,607,000	189,224,000
1975	Proposed Rescission	52,224,000			
1975	Advance for 1976	137,330,000	137,330,000	137,330,000	137,330,000
1976		10,000,000[1]			
1976	Advance for 1977	137,330,000			

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[1] Does not include $20,000,000 to be requested for proposed legislation.

Justification

Library Resources

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Public libraries:				
(a) Grants for public libraries	$ 49,155,000	$ 25,000,000	$ 10,000,000	$ -15,000,000
(b) Interlibrary cooperation	2,594,000	---	---	---
Libraries and instructional resources:				
(a) Consolidated program	---	---	137,330,000	+137,330,000
(1976 advance for 1977)			(137,330,000)	
(b) School library resources	95,250,000	90,250,000	---	-90,250,000
(c) Equipment and minor remodeling	21,500,000	21,500,000	---	-21,500,000
(d) Guidance, counseling, and testing	18,830,000	18,830,000	---	-18,830,000
College library resources	9,975,000	---	---	---
Training and demonstrations:				
(a) Librarian training	2,000,000	---	---	---
(b) Library demonstrations	1,000,000	---	---	---
Undergraduate instructional equipment	7,500,000	---	---	---
Total	207,804,000*	155,580,000*	147,330,000	-8,250,000
(1976 advance for 1977)			(137,330,000)	

*Excludes 1973 appropriation restorations.

General Statement

This appropriation includes the major library-related program administered within the U.S. Office of Education, affecting public libraries, elementary and secondary school libraries, and academic libraries. It also includes librarian training, the library demonstrations program, and the undergraduate instructional equipment program.

The 1976 budget provides $10,000,000 for library resources, and also includes separately a request for funding of proposed new library legislation. These funds represent another step in the proposed phase-down of Federal support for grants to States for public library services. It is proposed that the Federal role in libraries will shift to the proposed new legislation, which is designed to demonstrate effective library practices and to encourage and support cooperative library service patterns at the local, State and regional levels. Therefore, no funds are requested for the interlibrary cooperation and library demonstrations programs.

An advance appropriation in 1975 for use in 1976 provided the initial funding for libraries and instructional resources (ESEA title IV-B), thereby consolidating within a single authorization the programs of school library resources (ESEA II), equipment and minor remodeling (NDEA III), and guidance, counseling and testing (one part of ESEA III). The consolidation was authorized to take place in two steps. During the first year, 50 percent of the funds are available for each of the specific categorical purposes and the remaining 50 percent are used on a consolidated basis, with State and local authorities determining the specific use of funds. In subsequent years, all of the funds are to be used at the discretion of State and local authorities.

No funds are being requested in fiscal year 1976 for the college library resources program, the librarian training program, and the undergraduate instructional equipment program. It is the Office of Education's general higher education policy to focus on student assistance, rather than on institutional support and specialized training programs.

A proposed rescission of $52,224,000 out of the fiscal year 1975 appropriation is now before the Congress. It covers seven of the programs contained in this appropriation.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Public libraries				
(a) Grants for public libraries	$49,155,000	$25,000,000	$10,000,000	-$15,000,000

Narrative

Program Purpose

To promote the extension and improvement of public library services in areas without such services or with inadequate services, to improve State library service for the physically handicapped, institutionalized and disadvantaged persons, to strengthen State library administrative agencies, and to strengthen metropolitan libraries which serve as regional resource centers, grants to States are authorized by title I of the Library Services and Construction Act (LSCA).

Grants are made to States on a formula based on total resident population, but with a $200,000 minimum for the 50 States, D.C., and Puerto Rico, and a $40,000 minimum for the other outlying areas. The Federal share is 33 percent to 66 percent (except Trust Territory which is 100 percent Federally funded), and States must provide matching funds in proportion to their per capita income.

Plans for fiscal year 1976

Although LSCA, title I funds have become more concentrated on the disadvantaged and previously unserved groups and have supported many innovative service projects which could not have been initiated locally, the budget is based on the view that the Federal Government should not provide indefinite operational support. We are therefore requesting $10,000,000 for LSCA, title I in fiscal year 1976 continuing the phase-out of Federal support for this type of public library aid, while shifting Federal support to the proposed new Library Partnership Act.

This phase-out funding, proposed in fiscal year 1975, will permit States to support the most promising exemplary outreach projects and to provide library materials and services to the blind, physically handicapped, and the institutionalized, including inmates of penal institutions. It will also give additional time and funds for a reasonable conversion to increased local and State support for public library programs.

Federal Revenue Sharing funds used for public libraries by State and local governments have increased greatly since the program was initiated, with over $82,000,000 being used for this purpose during fiscal year 1974.

Since 1956 when the public library program was established, Federal assistance has stimulated the expansion and improvement of library services throughout the country to the extent that, today, about 94 percent of the population has access to some form of public library services.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, the appropriation was $44,155,500; in addition, $32,000,000 of the fiscal year 1973 appropriation was available in fiscal year 1974. This made a total of $76,155,500 available.

Leadership at the Federal level assisted and encouraged the State library agencies in the shifting of Federal dollars from support of public library services for the general population toward the provision of such service to special clientele; about 28,000,000 disadvantaged persons had access to new or improved library services.

More than 400,000 blind and physically handicapped persons used large-print books, special equipment and specially trained public library personnel in providing specialized services and about 800,000 prisoners, patients and other institutionalized persons received LSCA, title I library services in fiscal year 1974.

The fiscal year 1975 appropriation of $49,155,000 is proposed to be reduced by $24,155,000 through rescission. The revised level for fiscal year 1975 of $25,000,000 provides funds concentrating LSCA, title I services on 20,000,000 disadvantaged persons and continued the provision of services to 400,000 blind and physically handicapped and 737,000 State institutionalized persons.

SUPPLEMENTAL FACT SHEET

Grants for Public Libraries

	FY 1974 Actual	FY 1975 Revised	FY 1976 Estimate
Appropriations	$44,155,500	$25,000,000	$10,000,000
Federal dollars available to States	76,155,500[1]	25,000,000	10,000,000
Disadvantaged persons served through special library projects.	28,000,000	20,000,000	10,000,000
State institutionalized persons served through this program.	800,000	737,000	737,000
Blind and physically handicapped persons served through this program.	400,000	400,000	400,000

Other data

Out of a total population of approximately 206,000,000, about 193,000,000 (94 percent) have access to the services of public libraries.

In 1956, at the time of enactment of the Library Services Act, 23 States had programs for statewide public library development. Expenditures under these programs amounted to $5 million. Now there are 38 States with grant-in-aid programs, with appropriations of over $80 million.

The amount of Federal Revenue Sharing funds used for public libraries by State and local governments was over $82,000,000 in fiscal year 1974.

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[1] Includes $32,000,000 of 1973 appropriated funds which were released in fiscal year 1974, thereby making $76,155,500 available for expenditure in FY 1974. Work-load data reflect sums available to the States for applicable fiscal year.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Public libraries:				
(b) Interlibrary cooperation	$2,594,000	---	---	---

Narrative

Program Purpose

To provide a systematic and effective coordination of resources of school, public, academic, and special libraries and information centers to develop a more economical operation and, in turn, provide better service to all users, title III of the Library Services and Construction Act, as amended, authorizes grants to States for establishing and maintaining local, State, interstate and/or regional cooperative networks of libraries.

Grants are made according to a formula based on total resident population. No State matching is required.

Plans for fiscal year 1976

The Nation's libraries, involved in cooperative projects of library and information service, have successfully proven the value of cooperative local, State and regional projects and networks in increasing services and dollar effectiveness. Support for similar activities will be available under broader new legislation, the Library Partnership Act, which is proposed to replace this authority. Therefore no funds are requested for LSCA, title III in fiscal year 1976.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, the appropriation was $2,593,500. In addition, $4,770,000 of the fiscal year 1973 appropriation was released for expenditure in 1974, thereby making a total of $7,363,500 title III funds available. These funds provided support for cooperative networks, involving 10,500 public, school, academic and special libraries. Projects include such cooperative efforts as telecommunication networks for reference, bibliographic services, and interlibrary loan; centralized acquisition and processing; centralized cataloging; comprehensive state-wide planning; education for the administration of interlibrary network activities; and interstate cooperation.

The fiscal year 1975 appropriation of $2,594,000 is proposed for rescission.

SUPPLEMENTAL FACT SHEET

Interlibrary Cooperation

	FY 1974 Actual	FY 1975 Revised	FY 1976 Estimate
Appropriation....................	$2,593,500	---	---
Federal Funds Available to the States	$7,363,500 [1]	---	---
Number of Libraries Involved in Cooperative Projects.......	10,500	---	---

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1/ Of the $7,500,000 appropriated in FY 1973, $4,770,000 was released in FY 1974. Workload data reflect sums available to the States for applicable fiscal year.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Librarier and instructional resources:				
(a) Consolidated program (1976 advance for 1977)	$ ---	$ ---	$137,330,000[1] (137,330,000)	$+137,330,000
(b) School library resources...........	95,250,000	90,250,000	---	- 90,250,000
(c) Equipment and minor remodeling.........	21,750,000	21,750,000	---	- 21,750,000
(d) Guidance, counseling, and testing........	18,830,000	18,830,000	---	- 18,830,000
Total................... (1976 advance for 1977)	135,830,000	130,830,000	137,330,000 (137,330,000)	+ 6,500,000

[1] Fifty percent is to be used for the consolidation program, fifty percent for the other subactivities.

Narrative

Program Purpose

Title IV of the Elementary and Secondary Education Act as amended by P.L. 93-380 in 1974 authorizes grants to States for library and instructional resources, including guidance, counseling, and testing. This activity consolidates into a single authorization the following existing programs: school library resources (ESEA II), equipment and minor remodeling (NDEA III), and the guidance, counseling, and testing portion of the supplementary services program (ESEA III). The Act requires that advance funding be in effect for any year in which consolidation applies and that the consolidation may not take place unless the amount is equal to or greater than the total funds appropriated the previous year for the programs to be consolidated. The estimates for 1976 and 1977 contain sufficient funds to trigger the consolidation. The Act further requires that of the funds appropriated for fiscal year 1976 for consolidation, 50 percent shall be available to the States to carry out Part B. The remainder of such funds shall be available to the States under the authorities listed above.

Funds will be distributed to the States on the basis of the proportionate number of children in each State who are ages five through seventeen, as compared to the total of such children in all States, after approximately one percent is withdrawn for allocation to the outlying areas, the Department of Interior (Indian Education) and the Department of Defense (Dependent Children's schools). The States in turn distribute funds to the districts according to enrollment in public and private schools, and in relation to local tax effort for education and numbers of children whose education imposes a higher than average cost. Of the allotted amount, 95 percent is for the use of the local school districts and the other 5 percent may be used at the State level. Local educational agencies have complete discretion in determining how funds will be divided among various programs. Title IV requires equitable participation of children and teachers in private nonprofit elementary and secondary schools.

This consolidation is designed to eliminate narrow categorical grant programs and provide the States and local education agencies greater flexibility and responsibility in determining their own educational priorities and funding needs. Moreover, advance funding, which is included in this request, will enable the States to plan more efficiently and effectively by knowing a year in advance what Federal assistance will be available under this program.

Plans for fiscal years 1976 and 1977

The amount of $137,330,000 was appropriated in fiscal year 1975 for use in fiscal year 1976, and the same amount is being requested in 1976 as advance funding for use in 1977. These funds are sufficient to trigger consolidation.

In fiscal year 1977 (school year 1976-1977), the amount of $137,330,000 will be used entirely on a consolidated basis at the discretion of local education authorities for the first time. It is expected that these funds will provide the same opportunities for benefits as the separate categorical programs have been providing.

Beginning with fiscal year 1976 (school year 1975-1976), the libraries and instructional resources consolidation will be advance funded at a level of $137,330,000. Fifty percent of these funds will be made available pursuant to title IV-B, ESEA, and fifty percent will be earmarked for school library resources, equipment and minor remodeling, and the guidance, counseling and testing portion of ESEA III. It is expected that these funds will provide the same opportunities for benefits as the separate categorical programs did in the previous years. The restructuring will provide local authorities greater responsibility in determining their own educational priorities and flexibility for focusing funds on these needs.

Children in private, non-public schools must be provided equal opportunity to participate in these programs. For the first time, the opportunity to use borrowed instructional equipment has been extended to non-public school children. Formerly, under the equipment and minor remodeling program (NDEA III), loans were available to private schools for the actual purchase of this equipment and for minor remodeling needed in connection with its use.

Accomplishments in fiscal years 1974 and 1975

Although the consolidated program of libraries and instructional resources (ESEA title IV-B) was not authorized during this period, the separate categorical programs were authorized and funded.

For school library resources (ESEA II), the fiscal year 1974 and 1975 revised levels are the same--$90,250,000. For equipment and minor remodeling (NDEA III), the fiscal year 1974 level was $28,500,000 and the 1975 appropriation was $21,750,000, with no proposed rescission. For the guidance, counseling, and testing portion of supplementary services (ESEA III), the program levels for both 1974 and 1975 are the same--$18,830,000.

Program output measurements are enumerated on the following Supplemental Fact Sheets.

SUPPLEMENTAL FACT SHEET

Libraries and Instructional Resources Grants [1]
School Library Resources, Textbooks and Other Instructional Materials

Output Measures	FY 1974 Actual	FY 1975 Revised
Public elementary and secondary students benefitted	41,850,000	41,350,000
Private elementary and secondary students benefitted	4,608,000	4,508,000
Acquisitions and administration (obligations): [2] [3]		
(1) School library resources	$77,134,283	$77,150,000
(2) Other instructional materials	4,400,000	4,400,000
(3) Textbooks	1,000,000	1,000,000
(4) Processing	3,200,000	3,200,000
(5) State administration	4,500,000	4,500,000
Total obligations	90,234,283	90,250,000

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[1] The appropriation for FY 1974 for this categorical program was $90,250,000. The FY 1975 appropriation was $95,250,000. However, the revised FY 1975 level is $90,250,000 with $5,000,000 proposed for rescission.

[2] Approximately half of the funds used for acquisitions is classified as printed materials, the other half is audiovisuals.

[3] These figures are adjusted to include funds carried over as authorized by the Tydings Amendment.

SUPPLEMENTAL FACT SHEET

Libraries and Instructional Resources Grants [1]
Equipment and Minor Remodeling

Output Measures	FY 1974 Actual	FY 1975 Revised
Number of States and outlying areas participating	57	57
Number of local educational agencies participating	9,800	9,800
Number of children benefitted	39,300,000	39,300,000
Number of private nonprofit schools with loans approved	6	15
Range of loans approved	$2,900 to $31,300	$15,000 Average

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[1] The appropriation for FY 1974 for this categorical program was $28,500,000. The FY 1975 appropriation was $21,750,000.

SUPPLEMENTAL FACT SHEET

Libraries and Instructional Resources Grants[1/] Guidance, Counseling and Testing

Output Measures	FY 1974 Actual	FY 1975 Revised
Jurisdictions (States and outlying areas) participating	56	56
Public elementary school counselors participating	3,000	3,400
Private elementary school counselors participating	297	300
Public secondary school counselors participating	7,000	7,000
Private secondary school counselors participating	219	220
Students served directly through local education agencies by guidance and counseling projects	2,000,000	2,000,000
Students participating in testing programs	6,000,000	6,000,000

[1/] The appropriation for each of fiscal years 1974 and 1975 for this categorical program was $18,830,000.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
College library resources	$9,975,000	---	---	---

Narrative

Program Purpose

To provide support to institutions of higher education for the acquisition of library resources (including law library resources), such as books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials and other related materials (including necessary binding), title II, part A, of the Higher Education Act, as amended, authorizes grants to eligible institutions of higher education and other public and private non-profit library institutions.

Three types of grants can be awarded: (1) basic grants up to $5,000 to every eligible institution; (2) supplemental grants up to $20 per student with no matching required; and (3) special-purpose grants which must be matched with $1 institution money for every $3 Federal money. Basic grants must be awarded first priority.

Plans for fiscal year 1976

Since 1966, over $135,500,000 in Federal funds have been obligated for the purchase of college library materials. These funds provided for more than 15,000 basic grants, over 7,000 supplemental grants and about 500 special-purpose grants to eligible institutions. The legislation expires in fiscal year 1975. No funds are requested for this program in fiscal year 1976 in keeping with the shift of Federal dollars away from narrow institutional aid programs toward student support.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, the appropriation was $9,975,000, a decrease of $2,525,000 from the 1973 level. These funds supported 2,377 basic grants of which 2,314 were awarded at the maximum of $4,235 and 63 were awarded at less than the maximum. Special-purpose or supplemental grants were not awarded in fiscal year 1974. In addition, two basic grants, totaling $6,655 were awarded for fiscal year 1974 from fiscal year 1973 carryover funds.

The fiscal year 1975 appropriation of $9,975,000 is proposed for rescission.

SUPPLEMENTAL FACT SHEET

College Library Resources

Funds Awarded by Type of Grant

Fiscal	Basic		Supplemental		Special-Purpose		Total	
Year	No.	Amount	No.	Amount	No.	Amount	No.	Amount
1966	1,830	$ 8,413,574	---	$ ---	---	$ ---	1,830	$ 8,413,574
1967	1,989	9,612,865	1,266	11,316,782	132	3,577,040	3,387	24,506,687
1968	2,111	10,294,709	1,524	10,764,524	60	3,449,986	3,695	24,509,219
1969	2,224	10,929,161	1,747	10,318,415	77	3,750,000	4,048	24,997,576
1970 1/	2,201	5,484,976	1,783	4,331,024	---	---	3,984	9,816,000
1971	548	2,698,383	531	5,574,730	116	1,620,287	1,195	9,893,400
1972	504	2,509,970	494	6,833,030	58	1,650,000	1,056	10,993,000
1973	2,061	10,105,446	---	---	65	2,299,554	2,126	12,405,000
1974	2,379	9,966,855 2/	---	---	---	---	2,379	9,966,855
1975 3/	---	---	---	---	---	---	---	---
1976	---	---	---	---	---	---	---	---
Total	15,847	70,015,939	7,345	49,138,505	508	16,346,867	23,700	135,501,311

1/ Basic grants not to exceed $2,500 each.

2/ Includes $6,655 of unobligated carryover 1973 funds awarded in two basic grants of $5,000 and $1,655, respectively.

3/ Revised level assuming rescission of $9,975,000 appropriated.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Training and demonstrations:				
(a) Librarian training.....	$2,000,000	---	---	---

Narrative

Program Purpose

To support the training of paraprofessionals and professionals in library and information science for services to all types of libraries, grants may be made for fellowships, traineeships, and short- and long-term training institutes for library personnel; Title II, Part B, of the Higher Education Act, as amended, authorizes grants to institutions of higher education and library organizations or agencies.

The Education Amendments of 1972 required that not less than 50 percent of the funds for such training be used to support fellowships and traineeships. In addition, the amendments required a statutory distribution of funds between the college library resources, library training and demonstrations programs. Of the amount appropriated for library training and demonstrations under Title II-B, 66-2/3 percent must be used for library career training.

Plans for fiscal year 1976

No funds are requested for this program in fiscal year 1976. It is proposed that Federal support continue to shift in fiscal year 1976 from the various categorical training programs to a broader student assistance program. In this manner, students will determine the selection of institution and area of study that will best meet their individual needs, including training in librarianship.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, the appropriation was $2,850,000, a decrease of $722,000 from the fiscal year 1973 level. The obligated funds supported the training and retraining through 235 fellowships or traineeships, and about 1,339 institute participants. In most cases, awards made in fiscal year 1974 will support training during the 1974-75 academic year.

The fiscal year 1975 appropriation of $2,000,000 is proposed for rescission.

SUPPLEMENTAL FACT SHEET

Librarian Training

	FY 1974 Actual			
	No. Trained	Federal Dollars	FY 1975 Revised	FY 1976 Estimate
Fellowships/traineeships	235		---	---
Federal dollars student support...		$ 811,180	---	---
Federal dollars institutional support..........................		713,450	---	---
Total......................		1,524,630	---	---
Institute participants	1,339		---	---
Federal dollars student support...		383,952	---	---
Federal dollars institutional support........................		936,312	---	---
Total......................		1,320,264	---	---
Summary				
Fellowships/traineeships and institute participants..........	1,574		---	---
Federal dollars student support...		1,195,132	---	---
Federal dollars institutional support........................		1,649,762	---	---
Summary Total.............		2,844,894	---	---

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Training and demonstrations:				
(b) Library demonstrations	$1,000,000	---	---	---

Narrative

Program Purpose

To provide for research and demonstration projects for the development of new techniques and systems for processing, storing, and distributing information, and for the dissemination of information derived from such projects, title II, part B, of the Higher Education Act, as amended, provides for grants and contracts to institutions of higher education, and other public or private agencies, institutions, and organizations.

The Education Amendments of 1972 require a statutory distribution of funds among the college library resources, general library training and demonstration programs. Of the amount appropriated for library demonstrations and training under title II-B, 33-1/3 percent must be used for library demonstration activities.

Plans for fiscal year 1976

No funds are requested for this authority in fiscal year 1976. The demonstration projects funded by this program will be eligible for support under the new library legislative initiative, the Library Partnership Act.

Accomplishments in fiscal years 1974 and 1975

The fiscal year 1974 appropriation of $1,425,000 supported 20 demonstration projects averaging about $71,000 each. Priority was accorded those demonstration projects that were directed toward the provision of quality educational opportunities for economically disadvantaged people, or those for whom the traditional school and college-based educational experience have not proved effective. Priority was also given to those demonstration projects that offer new methods and alternatives for the provision of improved informational services.

In fiscal year 1974, this program supported the continuation of nine on-going demonstration projects including: (1) the innovative, multi-media community learning center launched in Philadelphia, Pennsylvania; (2) the demonstration of exemplary library service to the American Indian and the Spanish-Speaking; and (3) the non-traditional study demonstration conducted by the College Entrance Examination Board in New York. The funds also supported eleven new starts.

In fiscal year 1975, the appropriation of $1,000,000 is proposed for rescission.

SUPPLEMENTAL FACT SHEET

Library Demonstrations

	FY 1974 Actual	FY 1975 Revised	FY 1976 Estimate
Subject Categories			
Institutional cooperation to serve special target groups	8	---	---
Functional development: Reader services: processing, including acquisitions, cataloging, classification, etc	5	---	---
Planning and development	2	---	---
Education and training	5	---	---
Total	20	---	---
Sponsoring Organizations			
Universities and colleges	9	---	---
Non-profit organizations	7	---	---
Public libraries	3	---	---
Local school districts	1	---	---
Total	20	---	---

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Undergraduate instructional equipment..................	$7,500,000	---	---	---

Narrative

Program Purpose

To assist in the improvement of undergraduate programs through the purchase of instructional equipment (including closed-circuit TV) and materials and through minor remodeling, grants are awarded under title VI, part A, of the Higher Education Act to institutions of higher education.

Funds are allotted to the States by a formula based on higher education enrollment and per capita income. State Commissions rank applications submitted by the institutions and recommend the Federal share which, except in certain instances, cannot exceed 50 percent of the total project cost.

Plans for fiscal year 1976

No funds are requested for this program in fiscal year 1976. Since this program began in fiscal year 1966, a total of 7,600 grants have been awarded through the appropriation of more than $102,000,000. Hereafter, it is proposed that Federal support for institutions of higher education will be concentrated on students who will carry the funds to the institution of their choice. The authorizing legislation for this program expires in fiscal year 1975.

Accomplishments in fiscal years 1974 and 1975

In fiscal year 1974, $24.375,000 was made available to institutions of higher education for this program. These funds included the fiscal year 1974 appropriation of $11,875,000 plus the fiscal year 1973 appropriation of $12,500,000 released in fiscal year 1974. The obligated funds supported 1,998 grants to approximately 950 institutions of higher education.

The fiscal year 1975 appropriation of $7,500,000 is proposed for rescission.

SUPPLEMENTAL FACT SHEET

Undergraduate Instructional Equipment

	FY 1974 Actual	FY 1975 Revised	FY 1976 Estimate
Category I (Instructional equipment, materials, minor remodeling):			
% of Total obligation.......................	88%	---	---
No. of grants	1,607	---	---
Total amount of obligation..................	$20,684,475	---	---
Category II (Closed-circuit television equipment, materials and minor remodeling):			
% of Total obligation.......................	12%	---	---
No. of grants................................	391	---	---
Total amount of obligation..................	$ 2,842,484	---	---
Total obligations.......................	$23,526,959	---	---

Program Purpose and Accomplishments

Activity: Public Libraries

(a) Grants for public libraries (Library Services and Construction Act, Title I)

1975		1976	
Estimate	Revised	Authorization	Budget Estimate
$49,155,000	$25,000,000	$137,150,000	$10,000,000

Purpose: Title I of the Library Services and Construction Act authorizes grants to States to promote the extension and improvement of public library services in areas without such services or with inadequate services; to improve State library services for the physically handicapped and institutionalized; to improve public library services for disadvantaged persons; to strengthen State library administrative agencies; and to strengthen metropolitan libraries which serve as regional resource centers.

Explanation: Grants are made to States on a formula based on total resident population. The Federal share ranges from 33 percent to 66 percent, except for the Trust Territory which is 100 percent Federally funded, and States must match in proportion to their per capita income.

Accomplishments in 1975: In fiscal year 1975, $25,000,000 was made available to the States for library services. Support of library services to the State institutionalized and the physically handicapped is being maintained. Emphasis has been on support of programs to serve the disadvantaged and on Statewide projects designed to alleviate inequities with respect to access to knowledge and information.

Objectives for 1976: In fiscal year 1976, the appropriation request is $10,000,000 a reduction of $15,000,000 below the 1975 level. These funds are intended to be another step in a proposed phase-down of Federal support for this type of library aid. New legislation for the support of libraries is being proposed. This legislation will be designed to demonstrate effective library practices and to encourage and support cooperative library service patterns at the local, State and regional levels.

Activity: Public Libraries

(b) Interlibrary cooperation (Library Services and Construction Act, Title III)

1975		1976	
Estimate	Revised	Authorization	Budget Estimate
$2,594,000	---	$18,200,000	---

Purpose: Title III of the Library Services and Construction Act authorizes grants to States for establishing and maintaining local, State and regional cooperative networks of libraries.

Explanation: Grants are made to States on a formula based on total resident population. The Federal share is 100 percent.

Accomplishments in 1975: A rescission is proposed of the $2,594,000 appropriated for this program. A supplemental appropriation will be requested in 1975 upon enactment of proposed legislation which will subsume this program.

Objectives for 1976: No funds are recommended for this program in 1976. Proposed new legislation will encourage support for cooperative activities among all types of libraries at the local, State and regional levels.

Activity: Libraries and Instructional Resources (Elementary and Secondary Education Act, Title IV-B)

1976	1976 Advance for 1977 Authorization	1976 Advance for 1977 Budget Estimate
$137,330,000	Indefinite	$137,330,000

Purpose: Title IV-B of the Elementary and Secondary Education Act is a consolidation of the following categorical programs: school library resources (ESEA II), equipment and minor remodeling (NDEA III), and guidance, counseling and testing of the supplementary services program (ESEA III). Funds appropriated for use in fiscal year 1977 may be used by LEA's in any proportion for the preceding programs at their discretion.

Explanation: Funds will be distributed to the States on the basis of the proportionate number of children in each State who are ages five through seventeen as compared to the total of such children in all States, after approximately one percent is withdrawn for allocation to the outlying areas, the Department of Interior (Indian Education) and the Department of Defense (Dependent Children's Schools).

Objectives for 1976 and 1977: In both 1976 and 1977, it is expected that these funds will offer approximately the same benefits as the separate categorical programs did in the previous years, serving over 45,000,000 school-age children in both public and private elementary and secondary schools.

Activity: College Library Resources (Higher Education Act of 1965, as amended, Title II-A)

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$9,975,000	---	$70,000,000	---

Purpose: Title II, Part A, of the Higher Education Act, as amended, authorizes grants to eligible institutions of higher education and other public and private non-profit library institutions whose primary function is to provide library and information services to institutions of higher education on a formal cooperative basis to assist and encourage them in the acquisition of library resources including law library resources, such as books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials and other related materials (including necessary binding).

Explanation: Three types of grants are authorized: (1) basic grants up to $5,000; (2) supplemental grants up to $20 per student with no matching required; and (3) special-purpose grants which must be matched with $1 institution money for every $3 Federal money. Basic grants must be awarded to all eligible institutions applying.

Accomplishments in 1975: A rescission of the $9,975,000 appropriated for this program is proposed.

Objectives for 1976: No funds are requested for fiscal year 1976. Federal support for institutions of higher education will be concentrated on students who will carry the funds to the institutions of their choice.

Activity: Training and Demonstrations

(a) Librarian Training (Higher Education Act of 1965, as amended, Title II-B)

1975		1976	
Estimate	Revised	Authorization	Budget Estimate
$2,000,000	---	$20,000,000	---

Purpose: Title II, Part B, of the Higher Education Act, as amended, authorizes grants to institutions of higher education and library organizations or agencies to support the training of paraprofessionals and professionals in library and information science for services to all types of libraries. Such grants may be made for fellowships, traineeships, and short- and long-term training institutes for library personnel.

Explanation: The Education Amendments of 1972 require that not less than 50 percent of the funds for library training be used to support fellowships and traineeships. In addition, the amendments require a statutory distribution of funds between the college library resources, training and demonstrations programs. Of the amount appropriated for library demonstrations and training under title II-B, 66-2/3 percent must be used for librarian training.

Accomplishments in 1975: A rescission of the $2,000,000 appropriated for this program is proposed.

Objectives for 1976: No funds are requested for this program in fiscal year 1976. Federal support will shift in fiscal year 1976 from categorical training programs to broader student assistance programs.

Activity: Training and Demonstrations

(b) Library Demonstrations (Higher Education Act of 1965, as amended, Title II-B)

1975		1976	
Estimate	Revised	Authorization	Budget Estimate
$1,000,000	---	$10,000,000	---

Purpose: Title II, Part B, of the Higher Education Act, as amended, authorizes grants and contracts to institutions of higher education, and other public or private agencies, institutions, and organizations, for demonstrations, the purpose of which is to improve libraries or improve training in librarianship, including the development of new techniques, systems, and equipment for processing, storing, and distributing information, and for the dissemination of information derived from such projects.

Explanation: Applications are submitted by individuals through their universities, school districts, or other eligible institutions. Applications are reviewed by Office of Education field readers, and priorities of awards are based upon the nature of the proposed application. Of the amount appropriated for library demonstrations and training under title II-B, 33-1/3 percent must be used for library demonstration activities.

Accomplishments in 1975: A rescission of the $1,000,000 appropriated for this program is proposed.

Objectives for 1976: No funds are requested for this program in fiscal year 1976. However, the proposed new library legislation will provide funds to support exemplary demonstration projects which are considered to have national applicability.

Activity: Undergraduate Instructional Equipment (Higher Education Act of 1965, as amended, Title VI-A)

1975		1976	
			Budget
Estimate	Revised	Authorized	Estimate
$7,500,000	---	$70,000,000	---

Purpose: Title VI, Part A, of the Higher Education Act, as amended, authorizes grants to institutions of higher education to assist in the improvement of undergraduate programs through the purchase of instructional equipment (including closed-circuit TV) and materials and through minor remodeling.

Explanation: Funds are allotted to the States by a formula based on higher education enrollment and per capita income. State commissions rank applications submitted by the institutions and recommend the Federal share which, except in hardship cases, may not exceed 50 percent of the total project cost.

Accomplishments in 1975: A rescission of the $7,500,000 appropriated for this program is proposed.

Objectives for 1976: No funds are requested for this program in fiscal year 1976. Federal support for institutions of higher education will be concentrated on students who will carry the funds to the institution of their choice.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

Grants for Public Library Services

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised 2/	1976 Estimate 3/
TOTAL	$44,155,500	$49,155,000	$25,000,000	$10,000,000
Alabama	759,993	843,067	440.598	189,394
Alaska	250,266	259,845	222,391	189,394
Arizona	499,027	575,938	340,654	189,394
Arkansas	513,320	569,047	338,076	189,394
California	3,457,820	3,945,238	1,601,251	189,394
Colorado	565,674	647,572	367,455	189,394
Connecticut	692,704	758,558	408,980	189,394
Delaware	289,772	303,914	238,878	189,394
Florida	1,328,176	1,604,555	725,503	189,394
Georgia	949,013	1,073,744	526,904	189,394
Hawaii	326,870	352,515	257,062	189,394
Idaho	318,358	340,728	252,652	189,394
Illinois	1,995,768	2,226,767	958,298	189,394
Indiana	1,042,158	1,161,880	559,879	189,394
Iowa	659,300	719,205	394,256	189,394
Kansas	562,462	610,576	353,614	189,394
Kentucky	726,108	803,533	425,807	189,394
Louisiana	793,075	879,337	454,168	189,394
Maine	362,522	388,423	270,497	189,394
Maryland	843,502	938,820	476,423	189,394
Massachusetts	1,125,345	1,251,648	593,465	189,394
Michigan	1,644,708	1,843,212	814,794	189,394
Minnesota	819,895	905,451	463,939	189,394
Mississippi	561,338	620,188	357,210	189,394
Missouri	957,524	1,064,676	523,512	189,394
Montana	314,022	332,385	249,531	189,394
Nebraska	442,176	478,009	304,015	189,394
Nevada	281,903	299,924	237,386	189,394
New Hampshire	321,731	343,992	253,873	189,394
New Jersey	1,373,143	1,528,388	697,005	189,394
New Mexico	367,821	399,304	274,568	189,394
New York	3,146,747	3,503,108	1,435,831	189,394
North Carolina	1,028,346	1,161,517	559,744	189,394
North Dakota	300,853	315,157	243,085	189,394
Ohio	1,924,624	2,148,242	928,919	189,394
Oklahoma	617.546	684,023	381,093	189,394
Oregon	543,512	602,415	350,560	189,394
Pennsylvania	2,111,235	2,351,173	1,004,844	189,394
Rhode Island	354,010	375,365	265,612	189,394
South Carolina	622,845	693,997	384,825	189,394

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised 2/	1976 Estimate 3/
South Dakota	308,241	323,681	246,274	189,394
Tennessee	841,414	942,628	477,848	189,394
Texas	2,035,274	2,345,007	1,002,537	189,394
Utah	375,851	408,552	278,028	189,394
Vermont	272,910	284,509	231,618	189,394
Virginia	958,006	1,078,459	528,668	189,394
Washington	752,766	822,212	432,795	189,394
West Virginia	483,931	524,254	321,317	189,394
Wisconsin	918,339	1,023,147	507,974	189,394
Wyoming	254,442	264,017	223,951	189,394
District of Columbia	320,928	333,111	249,802	189,394
American Samoa	44,362	44,925	41,843	37,878
Guam	53,650	55,414	45,767	37,878
Puerto Rico	635,538	691,827	384,013	189,394
Trust Territory	54,604	56,492	46,170	37,878
Virgin Islands	50,032	51,329	44,238	37,878

1/ Estimated distribution of $49,155,000 with a basic amount of $200,000 to the 50 States, D.C. and Puerto Rico, $40,000 to the other outlying areas, and the balance distributed on the total resident population, 7/1/73, 4/1/70 for the areas. Required matching amounts are computed on the FY 1974-75 "Federal Share" percentages.

2/ Estimated distribution of $25,000,000 with a basic amount of $200,000 to the 50 States, D.C. and Puerto Rico, $40,000 to the other outlying areas, and the remainder distributed on the total resident population 7/1/73, 4/1/70 for the areas. Required matching amounts are computed on the FY 1974-75 "Federal Share" percentages.

3/ Estimated distribution of $10,000,000 with a Federal minimum allotment of $189,394 to the 50 States, D.C. and Puerto Rico, and $37,878 to the outlying areas. Federal allotment is ratably reduced from minimum amount under Sec. 5(a)(3)(A) to the amount available.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

Interlibrary Cooperation

State or Outlying Area	1974 Actual	1975 Estimate1/	1975 Revised	1976 Estimate
TOTAL	$2,593,500	$2,594,000	---	---
Alabama	47,893	47,898	---	---
Alaska	40,7[illegible]8	40,736	---	---
Arizona	44,215	44,617	---	---
Arkansas	44,416	44,532	---	---
California	85,916	85,997	---	---
Colorado	45,154	45,497	---	---
Connecticut	46,944	46,860	---	---
Delaware	41,265	41,276	---	---
Florida	55,901	57,250	---	---
Georgia	50,557	50,731	---	---
Hawaii	41,[illegible]88	41,873	---	---
Idaho	41,668	41,728	---	---
Illinois	65,310	64,892	---	---
Indiana	51,869	51,813	---	---
Iowa	46,473	46,377	---	---
Kansas	45,109	45,042	---	---
Kentucky	47,415	47,412	---	---
Louisiana	48,359	48,343	---	---
Maine	42,291	42,314	---	---
Maryland	49,070	49,074	---	---
Massachusetts	53,042	52,916	---	---
Michigan	60,362	60,181	---	---
Minnesota	48,737	48,664	---	---
Mississippi	45,093	45,160	---	---
Missouri	50,677	50,619	---	---
Montana	41,607	41,626	---	---
Nebraska	43,413	43,414	---	---
Nevada	41,154	41,227	---	---
New Hampshire	41,716	41,768	---	---
New Jersey	56,534	56,314	---	---
New Mexico	42,365	42,448	---	---
New York	81,532	80,567	---	---
North Carolina	51,675	51,809		
North Dakota	41,421	41,414	---	---
Ohio	64,307	63,927	---	---
Oklahoma	45,885	45,944	---	---
Oregon	44,842	44,942	---	---
Pennsylvania	66,937	66,419	---	---
Rhode Island	42,171	42,154	---	---
South Carolina	45,960	46,067	---	---

State or Outlying Area	1974 Actual	1975 Estimate1/	1975 Revised	1976 Estimate
South Dakota	41,526	41,519	---	---
Tennessee	49,040	49,121	---	---
Texas	65,867	66,344	---	---
Utah	42,478	42,561	---	---
Vermont	41,028	41,038	---	---
Virginia	50,683	50,789	---	---
Washington	47,791	47,642	---	---
West Virginia	44,002	43,982	---	---
Wisconsin	50,124	50,109	---	---
Wyoming	40,767	40,787	---	---
District of Columbia	41,704	41,635	---	---
American Samoa	10,061	10,060	---	---
Guam	10,192	10,189	---	---
Puerto Rico	46,139	46,040	---	---
Trust Territories	10,206	10,203	---	---
Virgin Islands	10,141	10,139	---	---

1/ Distribution of $2,594,000 with a minimum allotment of $40,000 to the 50 States, District of Columbia, and Puerto Rico; $10,000 for the other outlying areas, and the balance distributed on the basis of the total resident population, 7/1/73 for the 50 States and District of Columbia and 4/1/70 for the outlying areas.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

Libraries and Instructional Resources
(Consolidation Program)

State or Outlying Area	1975 Estimate 1/	1975 Advance for 1976 2/	1976 Advance for 1977 3/
TOTAL	1/	$137,330,000	$137,330,000
Alabama		2,339,205	2,340,573
Alaska		250,818	246,786
Arizona		1,424,113	1,382,003
Arkansas		1,301,669	1,288,484
California		12,556,971	12,697,802
Colorado		1,608,365	1,600,214
Connecticut		1,949,787	1,956,106
Delaware		396,667	381,869
Florida		4,403,497	4,455,141
Georgia		3,144,880	3,179,646
Hawaii		547,061	545,527
Idaho		543,278	524,745
Illinois		7,112,491	7,149,007
Indiana		3,485,011	3,480,985
Iowa		1,863,613	1,859,989
Kansas		1,365,042	1,392,394
Kentucky		2,150,299	2,145,741
Louisiana		2,686,649	2,647,107
Maine		707,173	675,415
Maryland		2,676,362	2,693,867
Massachusetts		3,606,859	3,613,470
Michigan		6,186,270	6,143,678
Minnesota		2,659,822	2,634,118
Mississippi		1,642,403	1,615,800
Missouri		2,973,213	2,971,826
Montana		512,205	498,768
Nebraska		986,873	981,949
Nevada		369,743	358,489
New Hampshire		532,849	514,354
New Jersey		4,521,454	4,623,995
New Mexico		828,198	802,705
New York		10,823,688	11,004,068
North Carolina		3,345,702	3,364,086
North Dakota		436,953	433,824
Ohio		7,044,168	6,977,556
Oklahoma		1,642,470	1,618,398
Oregon		1,360,213	1,363,819
Pennsylvania		7,213,595	7,258,113
Rhode Island		591,999	581,896
South Carolina		1,849,041	1,836,609

State or Outlying Area	1975 Estimate 1/	1975 Advance for 1976 2/	1976 Advance for 1977 3/
South Dakota		475,743	459,802
Tennessee		2,572,743	2,561,381
Texas		7,801,883	7,710,121
Utah		843,256	813,096
Vermont		326,157	303,937
Virginia		3,081,125	3,091,322
Washington		2,179,843	2,174,317
West Virginia		1,129,343	1,096,250
Wisconsin		3,090,423	3,060,149
Wyoming		247,648	231,200
District of Columbia		410,468	402,651
Outlying Areas		3,430,699	3,584,852

1/ Beginning with FY 1976, this activity consolidates the following activities: school library resources, equipment and minor remodeling, and the guidance, counseling, and testing portion of supplementary services. Separate tables are included for each of these activities and contain FY 1974 and 1975 data.

2/ Estimated distribution of $137,330,000 with 1% of the 50 States, D.C., and Puerto Rico amount reserved for other outlying areas. Area amount shown is more than this because Puerto Rico is listed as an area. Distribution of funds under provisions of Sec. 401 (c) (1) with 50% distributed on the 5-17 population, 7/1/73 and 4/1/70; 50% distributed under the formulas for P.L. 89-10, title II, title III (estimated guidance amount only), NDEA III, grants and administration in the same ratio as the amount appropriated for each program in FY 1974 or FY 1975, whichever is higher, is to the total of such appropriated amounts.

3/ Estimated distribution of $137,330,000 with 1% ($1,359,703) reserved for the outlying areas (except Puerto Rico), Bureau of Indian Affairs, and Department of Defense, and the remainder distributed on the basis of the 5-17 population, 7/1/73, for 50 States and D.C., and 4/1/70 for Puerto Rico.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

School Library Resources

State or Outlying Area	1974 Actual	1975 Estimate1/	1975 Revised2/	1976 Estimate
TOTAL	$90,234,283	$95,250,000	$90,250,000	3/
Alabama	1,417,852	1,518,904	1,439,171	
Alaska	146,657	153,406	145,353	
Arizona	833,587	1,014,782	961,513	
Arkansas	804,423	852,292	807,552	
California	8,536,517	8,826,370	8,363,044	
Colorado	1,026,488	1,120,395	1,061,582	
Connecticut	1,335,140	1,423,929	1,349,182	
Delaware	260,008	278,256	263,649	
Florida	2,704,985	3,037,575	2,878,122	
Georgia	1,911,403	2,062,792	1,954,510	
Hawaii	360,767	368,099	348,776	
Idaho	327,988	360,017	341,119	
Illinois	4,876,093	5,066,290	4,800,343	
Indiana	2,307,156	2,417,653	2,290,742	
Iowa	1,255,562	1,290,918	1,223,154	
Kansas	930,912	912,252	864,364	
Kentucky	1,356,508	1,421,300	1,346,691	
Louisiana	1,669,590	1,803,940	1,709,245	
Maine	463,249	488,188	462,561	
Maryland	1,787,959	1,887,090	1,788,030	
Massachusetts	2,429,112	2,577,551	2,442,246	
Michigan	4,182,707	4,390,382	4,159,916	
Minnesota	1,777,743	1,868,593	1,770,504	
Mississippi	936,130	1,080,028	1,023,334	
Missouri	2,021,406	2,065,971	1,957,521	
Montana	326,976	336,965	319,277	
Nebraska	643,619	675,816	640,340	
Nevada	230,488	255,119	241,727	
New Hampshire	335,975	365,646	346,452	
New Jersey	3,085,657	3,195,685	3,027,932	
New Mexico	516,306	547,595	518,850	
New York	7,423,067	7,684,481	7,281,096	
North Carolina	2,037,649	2,216,252	2,099,914	
North Dakota	270,752	276,709	262,183	
Ohio	4,775,569	4,956,045	4,695,886	
Oklahoma	1,086,694	1,131,460	1,072,065	
Oregon	872,473	925,214	876,646	
Pennsylvania	5,000,836	5,169,228	4,897,876	
Rhode Island	401,728	406,149	384,829	
South Carolina	1,141,558	1,211,326	1,147,739	

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised 2/	1976 Estimate 3/
South Dakota	303,545	312,188	295,800	
Tennessee	1,587,853	1,728,352	1,637,625	
Texas	4,979,429	5,352,001	5,071,057	
Utah	528,228	572,792	542,725	
Vermont	206,217	218,255	206,798	
Virginia	1,928,041	2,120,227	2,008,929	
Washington	1,461,184	1,536,597	1,455,936	
West Virginia	710,237	776,184	735,440	
Wisconsin	2,086,738	2,156,088	2,042,907	
Wyoming	152,533	161,502	153,025	
District of Columbia	279,769	291,724	276,410	
American Samoa	30,000	69,087	65,460	
Guam	74,769	193,802	183,629	
Puerto Rico	1,828,294	1,440,358	1,364,748	
Trust Territory	86,589	216,650	205,277	
Virgin Islands	56,339	158,609	150,283	
Bureau of Indian Affairs	125,229	304,921	288,915	

1/ Estimated distribution of funds to the 50 States, District of Columbia and Puerto Rico on the basis of the total elementary and secondary public and nonpublic school enrollment, Fall 1973. 1% distributed to the outlying areas on the basis of total elementary and secondary public and nonpublic school enrollment, Fall 1973, except Trust Territory, FY 1972 and B.I.A., FY 1973.

2/ Estimated distribution of funds to the 50 States, District of Columbia, and Puerto Rico on the basis of the estimated total public and nonpublic elementary and secondary enrollment, Fall 1972. Distribution of 1% of the 50 States, District of Columbia and Puerto Rico amount to the outlying areas on the basis of the total public and nonpublic elementary and secondary enrollment, Fall 1972, except Trust Territory, 6/30/72 and Bureau of Indian Affairs, FY 1972.

3/ See "Libraries and instructional resources," into which this program is consolidated in FY 1976.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

Equipment and Minor Remodeling
(excluding Loans to Non-profit Private Schools)

State or Outlying Area	1974 Actual	1975 Estimate[1/]	1975 Revised[1/]	1976 Estimate
TOTAL	$28,250,000	$21,500,000	$21,500,000	[2/]
Alabama	633,878	477,115	477,115	
Alaska	59,426	48,490	48,490	
Arizona	301,604	237,168	237,168	
Arkansas	334,413	256,815	256,815	
California	2,199,344	1,669,714	1,669,714	
Colorado	329,572	255,783	255,783	
Connecticut	300,445	229,600	229,600	
Delaware	81,758	64,767	64,767	
Florida	859,134	671,404	671,404	
Georgia	762,881	581,835	581,835	
Hawaii	113,906	89,516	89,516	
Idaho	136,919	106,071	106,071	
Illinois	1,271,415	967,883	967,883	
Indiana	747,557	566,215	566,215	
Iowa	409,932	311,174	311,174	
Kansas	304,143	228,088	228,088	
Kentucky	539,943	409,440	409,440	
Louisiana	702,435	534,029	534,029	
Maine	164,959	126,113	126,113	
Maryland	515,647	394,662	394,662	
Massachusetts	621,413	476,301	476,301	
Michigan	1,260,289	949,526	949,526	
Minnesota	592,217	446,152	446,152	
Mississippi	436,664	326,052	326,052	
Missouri	635,343	482,254	482,254	
Montana	129,155	98,483	98,483	
Nebraska	213,710	162,280	162,280	
Nevada	67,768	55,219	55,219	
New Hampshire	112,773	88,741	88,741	
New Jersey	769,272	589,451	589,451	
New Mexico	217,182	166,032	166,032	
New York	1,641,552	1,258,429	1,258,429	
North Carolina	833,409	629,530	629,530	
North Dakota	122,043	93,565	93,565	
Ohio	1,478,006	1,109,286	1,109,286	
Oklahoma	374,935	283,977	283,977	
Oregon	284,846	217,148	217,148	
Pennsylvania	1,457,264	1,098,573	1,098,573	
Rhode Island	112,327	87,575	87,575	
South Carolina	492,807	375,038	375,038	

State or Outlying Area	1974 Actual	1975 Estimate[1]	1975 Revised[1]	1976 Estimate[2]
South Dakota	126,542	96,025	96,025	
Tennessee	636,950	486,248	486,248	
Texas	1,798,103	1,364,130	1,364,130	
Utah	212,773	163,203	163,203	
Vermont	78,765	62,189	62,189	
Virginia	687,513	522,619	522,619	
Washington	438,114	328,542	328,542	
West Virginia	282,417	213,902	213,902	
Wisconsin	675,260	514,782	514,782	
Wyoming	64,359	51,014	51,014	
District of Columbia	66,918	52,832	52,832	
American Samoa	29,000	29,000	29,000	
Guam	29,000	29,000	29,000	
Puerto Rico	416,756	284,000	284,000	
Trust Territory	29,000	29,000	29,000	
Virgin Islands	29,000	29,000	29,000	
Bureau of Indian Affairs	27,244	25,000	25,000	

[1] Estimated distribution of $19,500,000 for Grants to States, with 2% ($390,000) reserved for the outlying areas, and the remainder distributed on the basis of the FY 1975 NDEA State products of (1) FY 1974 and 1975 NDEA allotment ratios with 33-1/3% and 66-2/3% limits and (2) the estimated 5-17 population, 7/1/72. And estimated distribution of $2,000,000 for State Administration, with 1.75% ($35,000) reserved for the outlying areas, and the balance distributed on the basis of the 5-17 population, July 1, 1972, with a minimum of $13.333. The amount for the outlying areas is distributed on the 5-17 population, April 1, 1970, with a minimum of $4,000.

[2] See "Libraries and instructional resources," into which this program is consolidated in FY 1976.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION

Library Resources

Undergraduate Instructional Equipment

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised	1976 Estimate
TOTAL	$23,526,959	$7,500,000	---	---
Alabama	368,813	119,066	---	---
Alaska	---	7,435	---	---
Arizona	291,634	99,431	---	---
Arkansas	152,686	53,138	---	---
California	2,869,302	938,918	---	---
Colorado	371,506	107,961	---	---
Connecticut	300,145	93,795	---	---
Delaware	47,090	20,502	---	---
Florida	708,697	220,155	---	---
Georgia	318,573	134,284	---	---
Hawaii	68,460	33,140	---	---
Idaho	116,947	31,401	---	---
Illinois	1,141,578	347,970	---	---
Indiana	500,388	167,429	---	---
Iowa	360,528	101,829	---	---
Kansas	320,362	90,704	---	---
Kentucky	335,726	98,604	---	---
Louisiana	356,704	128,475	---	---
Maine	106,933	34,379	---	---
Maryland	352,019	124,279	---	---
Massachusetts	743,938	259,976	---	---
Michigan	1,037,593	303,539	---	---
Minnesota	419,417	137,236	---	---
Mississippi	275,364	84,389	---	---
Missouri	546,762	161,054	---	---
Montana	100,640	25,617	---	---
Nebraska	205,939	56,639	---	---
Nevada	34,904	14,864	---	---
New Hampshire	98,379	30,771	---	---
New Jersey	520,319	169,609	---	---
New Mexico	137,411	42,983	---	---
New York	1,909,914	609,258	---	---
North Carolina	599,896	193,007	---	---
North Dakota	107,962	28,747	---	---
Ohio	1,051,266	320,120	---	---
Oklahoma	366,454	109,025	---	---
Oregon	342,081	105,569	---	---
Pennsylvania	1,103,348	353,356	---	---
Rhode Island	132,531	41,984	---	---
South Carolina	257,954	93,794	---	---

State or Outlying Area	1974 Actual	1975 Estimate 1/	1975 Revised	1976 Estimate
South Dakota	80,354	25,184	---	---
Tennessee	464,693	143,448	---	---
Texas	1,359,551	432,534	---	---
Utah	270,074	76,255	---	---
Vermont	76,416	26,194	---	---
Virginia	456,606	152,182	---	---
Washington	502,802	156,367	---	---
West Virginia	215,812	61,914	---	---
Wisconsin	620,007	180,070	---	---
Wyoming	30,734	13,338	---	---
District of Columbia	160,063	50,276	---	---
American Samoa	---	674	---	---
Guam	---	3,018	---	---
Puerto Rico	226,916	82,814	---	---
Trust Territory	---	38	---	---
Virgin Islands	2,768	1,242	---	---

1/ Estimated distribution of funds with 50% distributed on the basis of full-time and full-time equivalent of degree-credit and nondegree-credit enrollment (excluding proprietary schools) in institutions of higher education, Fall 1973, and 50% on the basis of the State products of FY 1975 higher education allotment ratios and the enrollment listed above.

Justification

Library Resources

	1976 Estimate	Interim Estimate July 1-Sept.30,1976
Public libraries	$10,000,000	---
Libraries and instructional resources.....	137,330,000	--- 1/
College library resources..................	---	---
Training and demonstrations................	---	---
Undergraduate instructional equipment.....	---	---
Total...............................	147,330,000	--- 1/

1/ No funds are requested for this interim period; however, the advance appropriation for the libraries and instructional resources consolidated program (ESEA IV-B) will become available on July 1, 1976, and remain available through September 30, 1977.

Narrative

No funds are being requested for any of the above programs for the period July 1 through September 30, 1976, for the following reasons: the public libraries, college library resources, training and demonstrations, and the undergraduate instructional equipment programs are being terminated; and the advance appropriation for libraries and instructional resources will be available during this period.

The entire 1976 advance appropriation -- which will cover the project period July 1, 1976 to June 30, 1977 -- will be made available to the States during the interim period. The appropriations to cover the next project period -- July 1, 1977 to June 30, 1978 -- will be requested in the regular fiscal year 1977 budget and no new appropriation action will be required during the interim period.

INNOVATIVE AND EXPERIMENTAL PROGRAMS

STATEMENT OF DR. TERRELL H. BELL, COMMISSIONER OF EDUCATION

ACCOMPANIED BY:

- **JAMES MOORE, ACTING DIRECTOR, SPECIAL PROJECTS PROGRAM**
- **LAWRENCE J. LaMOURE PLANNING OFFICER, SPECIAL PROJECTS STAFF**
- **DR. FLOYD A. DAVIS, PROGRAM MANAGER, METRIC EDUCATION**
- **JULIE I. ENGLUND, PROGRAM MANAGER, COMMUNITY SCHOOLS**
- **DR. JOAN E. DUVAL, PROGRAM MANAGER, WOMEN'S EDUCATIONAL EQUITY**
- **DR. EDWIN W. MARTIN, DEPUTY COMMISSIONER**
- **DEAN BISTLINE, PROGRAM MANAGER, CONSUMER EDUCATION**
- **DR. KENNETH B. HOYT, DIRECTOR OF THE OFFICE OF CAREER EDUCATION**
- **EDWARD B. GLASSMAN, EDUCATION PROGRAM SPECIALIST**
- **CORA P. BEEBE, ACTING BUDGET OFFICER**
- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER**

INTRODUCTION OF ASSOCIATES

Senator BROOKE. The subcommittee will now take up a new account called innovative and experimental programs. Some of the components of this account, such as educational TV and career education have been in existence for some time. The remainder represents new programs authorized last summer under the Special Projects Act. Mr. Bell is with us again; he will explain the request. It totals $39 million. Commissioner, would you introduce your associates, and then you may proceed.

Dr. BELL. Yes. I have Julie Englund—these are program officers that relate to this laundry list of small projects—John Evans and Floyd Davis, and then Ed Martin who has responsibility for the gifted and talented program; James Moore who is the director for the special projects program; and then we have Joan Duval who is the program manager for the women's equity program; and there is Mr. Glassman down at the end who I failed to mention. And, of course, we have Dick Hays who also has responsibility in the educational television part of this program—he has another hat on at this point.

Mr. Chairman, this is a new provision in the legislation that passed last fall in the Educational Amendments of 1974, and the legislation is a bit unique. It works approximately this way: Out of the total amount of money appropriated for the Special Projects Act, half of it is to be at the Commissioner's discretion, and the other half is to be spread among a list of programs as metric education, education for the gifted and talented, women's equity, and community schools and career education, and so on. And then there are percentages applied to each of these areas that it is mandatory that we spend that percentage of half of the appropriation on those percentages.

The other half, the Commissioner has discretion to utilize them. But also, Mr. Chairman, we are required to submit our plans for spending to those authorizing committees for them to review, and if the committees pass a resolution of disapproval, then we would revise our plan. If it is not disapproved, then we proceed according to the plan that has been submitted.

So, with this budget, this will be the first funding of the Special Projects Act, and I have a number of program officers here so we can speak to specific questions on any of these items. I would be happy to respond to your questions on this.

BIOGRAPHY AND PREPARED STATEMENT

Senator **Brooke**. Without objection, Mr. Bell's biography and full statement will be included in the record.

[The biography and statement follow:]

BIOGRAPHY OF TERREL HOWARD BELL

NAME : Terrel Howard Bell

POSITION : U. S. Commissioner

BIRTHPLACE AND DATE : Lava Hot Springs, Idaho
November 11, 1921

EDUCATION : Southern Idaho College of Education, 1946
Bachelor of Arts

University of Idaho, 1954
Master of Science in Educational Administration

University of Utah, 1961
Doctorate in Educational Administration with allied field in Political Science

Graduate Study (no degree), Stanford University

Southern Utah State College, 1970
Doctor of Humanities (honorus causa)

EXPERIENCE
PRESENT : U. S. Commissioner
1971-74 : Superintendent of the Granite School District, Salt Lake City, Utah
1970-71 : Deputy Commissioner, U.S. Office of Education and Acting U.S. Commissioner of Education
1963-69 : Utah State Superintendent of Public Instruction
1962-63 : Professor and Department Head, Department of Educational Administration, Utah State University
1957-61 : Superintendent of Schools, Weber County School District of Ogden, Utah
1954-56 : Superintendent of Schools, Star Valley School District of Afton, Wyoming
1947-53 : Superintendent of Schools, Rockland, Idaho
1946-47 : Science Teacher and Athletic Coach, Eden, Idaho
1942-46 : First Sergeant, U. S. Marines in Pacific Area (World War II)

ASSOCIATION MEMBERSHIPS : Presidential Appointee (with U.S. Senate Confirmation) The National Council on Educational Research (the governing board of the National Institute of Education)
President's Commission on School Finance (1970 and 1971)
President's Committee on Employment of the Handicapped
Gallup Poll Advisory Panel (1973)
Board of Directors, Utah Symphony
National Capital Area Council of Boy Scouts of America (1970 and 1971)
President, National Federation of Large School Systems

PUBLICATIONS : Your Child's Intellect, Olympus Publishing Co. (1972)
MBO: A Performance Accountability System for School Administrators, Prentice Hall (1974)
Effective Teaching, Exposition Press (1962)
A Philosophy of Education for the Space Age, Exposition Press (1962)
The Prodigal Pedagogue (a novel), Exposition Press (1955)

Parenting and the Public Schools (to be published in 1974
by Olympus Publishing Co.)
Over 27 articles in journals and magazines.

HONORS AND AWARDS : Distinguished Service Award of the National Association of State Boards of Education (1973)
Secretary's Special Citation for Outstanding Contributions to the U.S. Office of Education (HEW) (1970)
Certificate of Appreciation, U.S. Office of Education (1971)
Distinguished Service Award of the Council of Chief State School Officers (1970)
Distinguished Service Award of the Utah School Boards Association (1969)
Distinguished Service Award of the National Advisory Council for Adult Education (1970)
Phi Kappa Phi National Scholarship Honorary Society

STATEMENT OF TERREL HOWARD BELL

Mr. Chairman and Members of the Committee:

I am pleased to appear here today to present our fiscal year 1976 appropriation request of $38,993,000. This represents the first appropriation being requested for Section 402 of Public Law 93-380 which was signed into law on August 21, 1974.

The purposes of the Special Projects section are threefold:

1. experiment with new educational and administrative methods, techniques, and practices;
2. meet special or unique educational needs or problems;
3. to place special emphasis on national educational priorities.

The legislation requires that not less than 50 percent of this appropriation be used for the following seven activities: 1) Metric Education, 2) Education for the Gifted and Talented, 3) Community Schools, 4) Career Education, 5) Consumer Education, 6) Women's Educational Equiry, and 7) the Arts in Education Programs. The remaining amount would be expended on priority areas deemed necessary by the Office of Education in accordance with the Act. Legislation also requires that a spending plan for this appropriation be forwarded on February 1 of each year to the Senate Committee on Labor and Public Welfare, and the House Committee on Education and Labor.

The priority areas I have designated for support from the discretionary portion of the requested appropriation are: Career Education; Packaging and field Testing and Educational Television Programming. The latter activity includes support for the Children's Television Workshop. A request of $21,493,000 is being made to support the mandated portion of the Special Projects section and $17,500,000 to support the discretionary portion.

In fiscal year 1976, we are requesting $3,500,000 for the Packaging and Field Testing Program. This program was developed as a means to accelerate the dissemination of successful educational practices and products. The strategy is to help educators overcome the obstacles they face in installing new educational approaches by providing them with detailed, how-to-do-it packages based upon successful projects already operating in other schools. During school year 1973-74, we developed six such project Information Packages in the area of compensatory education. We also initiated a test of the use of the packages in 17 schools districts across the Nation.

We are now part way through the first year of the field test and are encouraged by the enthusiasm with which the packages have been greeted. While there is evidence to indicate that the packages can be used to bring about faithful replications of various educational approaches, the ultimate test is whether or not they result in improved learning in the children who participate. The on-going evaluation will provide us with such information.

The fiscal year 1975 appropriation for the packaging program was $1.4 million. Part of those funds are being used to complete the field test of the first 6 packages and to modify them in ways suggested by the evaluation results. We will also be identifing and packaging 12 new effective projects; some will be in compensatory education but we also intend to expand into the area of bilingual education.

In fiscal year 1976 we would support field testing of packages in the schools and the first steps of broad-scale dissemination of packages and their implementation in schools.

In fiscal year 1976 we are requesting $7 million for Educational TV Programs. We will continue to provide support for the Children's Television Workshop, Sesame Street and The Electric Company and to continue support for new efforts initiated in 1975 for other Educational TV Programs.

Because of the critical importance of Career Education we are augmenting the legislative set-aside by an additional $7 million . This will support a program level of $10.1 million dollars.

To demonstrate effective methods and techniques in Career Education exemplary models in Career Education will also be developed.

I would like to point out some unique features of this legislation, which the committee might find useful as it evaluates the purposes and general value of our budget request.

The value of the programs covered by this legislation rests in their ability to build capacity in areas that need more attention in the State and local educational agencies. For example, we know that there will soon be a need for teaching the metric system in the schools of the United States. We should use this authority to encourage building the capacity of school systems to teach the metric system. By sponsoring a few strong projects in stategic places across the nation and by using our leadership function to call attention to this need we can help to close some gaps and consolidate some of the work already underway. The same would apply to other areas such as education of gifted and talented students, community education, career education, etc.

We will watch closely the effects of attempting to build capacity with small sums of money. The tests of our success will be in the number and quality of projects initiated by States and local educational agencies, and the extent of their impact and acceptance beyond the project sites and Federal support.

We will be happy to answer any questions the Committee may have.

SPECIAL PROJECTS

Senator **Brooke**. I have just looked over the breakdown of the special projects in your request. I know you have to establish some priorities. I am happy to see career education has a good percentage; arts and education program disturbs me. It is so small.

Dr. **Bell**. That is a mandatory appropriation, Mr. Chairman, and it flows to the Kennedy Center.

Senator **Brooke**. Into the Kennedy Center?

Dr. **Bell**. Yes; $750,000.

Mr. **Miller**. Is that the full authorization, Dr. Bell?

Dr. **Bell**. Yes.

Mr. **Miller**. That is the full authorization.

Senator **Brooke**. That is the full authorization?

Dr. **Bell**. Yes; I might say one of the programs emphasized in the Special Projects Act is to aim at trying to get education money for the day when Congress might say we are going metric in the United States.

Senator **Brooke**. That is 5 years; is it not? It has been estimated within 5 years.

Dr. **Bell**. I understand that there is more interest than ever before in moving in this direction. As the only remaining nonmetric major industrialized nation, it would appear that it is inevitable that we move to the metric system.

Senator **Brooke**. We may be forced into it hopping and screaming, but nevertheless we will.

How long are these special projects supposed to last?

Dr. **Bell**. The funding will be for a 1-year period. But, of course, we can and shall come back and ask for continued funding on many of these, because we can just get them going in 1 year. The idea is to demonstrate and to develop certain areas that need further development in the field of education, and try to generate more interest and emphasis of course, at the State and local levels.

Senator **Brooke**. Do you have any criteria to determine whether these funds will go out as grants or contracts?

Dr. **Bell**. Yes; would you speak to that, Ms. Beebe?

Ms. **Beebe**. Yes; the law requires that in all of the activities under the Commissioner's discretionary portion, we can award contracts. Then under the legislative priorities we will be awarding both contracts and grants, though primarily grants.

Dr. **Bell**. The part that the Commissioner has discretion over has to be contracts.

Senator **Brooke**. How do you come up with experts to review applications when you are talking about very unique projects?

Dr. **Bell**. Most of these will be experts that we will have on an ad hoc panel, not employees of the Office of Education, who will help us read proposals. We will publish funding criteria in the Federal Register and try to come up with a way of weighting with a numerical score. These panels, too, will reweight and score these proposals independently of each other. Out of this we will get a method of weighting and scoring.

One of the problems we constantly have in discretionary funds is trying to be fair, equitable, and objective in making grants, and this will be a grant challenge to us here. We propose to use outside experts as well as the people in our Office of Education. In some of these areas we will be very thin on expertise, and we will have to rely heavily on persons who can read and evaluate proposals that are not employess of the Office of Education.

Senator BROOKE. Although these are technically new programs, I am sure some work has already been done in these areas. Is there any way to tie what has already been done, say in metric education?

Dr. BELL. Yes; and there has been a great deal done there. I would like to introduce you to Dr. Floyd Davis, who is one of the bright, shining stars in the Office of Education. He may be one of the few, or may be the only expert on metric education in the Office. Maybe he could explain in that context how we are going to use what has already been done—and not reinvent the wheel—as we move from where we are.

METRIC EDUCATION

Dr. DAVIS. Thank you, Mr. Commissioner, Mr. Chairman. The materials I have here, Senator, have anticipated your question about metric education development in that I do have some copies of studies that have been made; materials that have been prepared by, for example, the National Bureau of Standards, as an educational kit. The Secretary of Commerce through a Conference on the Meter in 1960 was authorized to make a study on the feasibility of its country going metric. The study focused on different areas—vocational, educational, career education, industry, commerce, both domestic and international—and there is a component of the study focusing primarily on education. Recommendations are made in the study that also tie in with a study that was conducted by NIE to assess what experiences were, on an international basis, in countries that went metric, apart from the United States, so we could capitalize on their successes and not repeat their failures.

Metric materials are being developed and some individual school systems are producing their own curricula. I could cite certain States, like the State of California, that already have a time line in which metric conversion resolutions have been passed. The California State superintendent, Wilson Riles, has already mandated that the system will go metric in a given timeframe, and the curriculum in teacher training and all kinds of activity attendant to the realization of that goal are presently underway.

There are several States that have taken positions that they would go metric. An educational system has to anticipate change trends in certain areas of social, economic, and industrial development, make certain kinds of requirements on the educational system.

There are very few States that are not at this time doing something in the area of metric education. Standard curricula are being developed State by State. State departments of education are working with textbook companies and associations of textbook publishers to set a time line for the phasing of metric concepts into the regular textbook.

The Office of Education through its legislative authorization in the Education Amendments of 1974, has been in touch with other agencies, so that we do not reinvent the wheel and do not go through unnecessary expenditures to get the program going. We have tight liaison with other Federal agencies, such as HUD, Interior, Labor, Transportation, Department of Agriculture, and NASA on international commodities exchange and the like. We have kept in particular touch with them. Through what we are learning from those agencies, through what we are learning from such associations as the American National Metric Council, whose national conference is meeting this week in Washington, and the American Metric Association in Boulder, Colo., and the National Council of Teachers of Mathematics, has a comprehensive accumulation of materials for metric education, significant prograss is apparent.

Our interest here is to try to minimize the amount of anxiety that might be produced as a result of sporadic approaches—State by State, county by county, school district by school district, in moving toward a uniform metric system. Metric concepts, and metric measures have already crept onto our shores. We will be ready to move with some degree of facility in implementing the transition that is required by metric education.

Senator BROOKE. Thank you.

GIFTED AND TALENTED

Now, on the gifted and talented, I guess this is yours, Dr. Martin. Do you have any idea how many gifted children there are?

Dr. MARTIN. Yes, sir. We estimate it about 4 percent—2 percent of children would be seen as gifted, an additional 2 percent as talented. So we are saying 3 to 5 percent, or about 4 percent of the total school population is seen as gifted and talented. That runs from 1½ million to 2½ million children.

Senator BROOKE. When you refer to gifted children, are you speaking only of IQ?

Dr. MARTIN. No. When these programs began, I think there was a tendency to think only about the very bright child. What we have learned over a period of time is that children show a range of talents—musical talents, artistic talents, talents in leadership, talents in problem solving, talents in various kinds of mechanical skills and aptitudes. There are a variety of ways. The most talented people in the country do not fit into the standard school curriculum. A youngster that may have enormous talent in musical composition could be totally frustrated throughout 12 years of school other than having a chance to be in the band.

The really most exciting part, I think, of the new emphasis is not just to make more challenging academic programs for bright youngsters, which is important, but to open up the curriculum resources, open up the practical resources for talented young people and give them a chance to do what they do best within their school setting which enriches their whole program.

Senator BROOKE. Back to vocational children. A child may not know very much, but he may know how to build a house. Is he gifted? Would that child be a gifted child?

Dr. MARTIN. Yes. I think that is one of the reasons I mentioned mechanical aptitudes and special kinds of special craft skills that are also important.

One of the ways that gifted programs are developed is to apprentice youngsters.

I notice Dr. Hoyt has come in. Dr. Hoyt, as you know, will speak to you in a few minutes on career education. He has also been working very actively in the area of career eduction for gifted and talented young people, and recently authored a book, if I may give it a plug on the record here.

Would you like to say something about that particular response, Ken?

Dr. **Hoyt**. We are trying to view the term "talented" in the sense that it will include the youngsters with vocational skills and talents. I see no reason why it should be limited to those with intellectual talents only.

Senator **Brooke**. I quite agree with you. I am pleased to know that.

Dr. **Martin**. It is interesting that the Congress has recognized gifted, intelligent younger people in higher education areas, ever since 1958, really, since the National Defense Education Act, which essentially was designed to take advantage of our most talented scientific and mathematically inclined young people. It also spreads out into languages and other areas. But we have not done anything until this year for elementary and secondary youngsters. So, I think the principle is well established in that the country has seen it to be in the national interest to focus particular attention on very bright youngsters at the college level. But we have lagged behind in recognizing the same obvious logical requirement for working with these students when they are in high school.

Senator **Brooke**. I feel about scholars as I do about lawyers. We need them. But I would hate to see the country only have scholars and lawyers. We have to have vocational skills developed, and I am glad to see that you include that in your classification and definition of the gifted child.

This committee has for years been encouraging the use of school facilities, particularly for the elderly. Why do you need any money to do this? Why can you not just tell the school districts about this concept? I am talking about the community schools.

COMMUNITY SCHOOLS

Dr. **Bell**. Julie Englund is the program manager for that program. I would like to introduce her and ask her to handle that quite difficult question. Julie?

Ms. **Englund**. Schools have been used in the past, facilities have been opened, either at the introduction of the school system without additional cost, or with minor additional cost. Community education programs, as they have evolved over a period of time, become more than opening the physical facilities to a community, but have included programs with the potential to serve the entire community and to address what are locally identified needs. To provide these types of programs, additional costs are incurred usually through hiring of an individual to coordinate the activities and other similar administrative costs.

Therefore what this program is designed to do is to give local educational agencies some additional but modest assistance in opening up the doors, and at the same time providing programs which focus on local needs more specifically than just making playgrounds available or bringing the elderly into school.

Dr. Bell. Our total appropriation, Senator, is $3.5 million. I think the best we will be able to do with that is to have some bright spots, some demonstrations, and be able to use it as catalytic money to create interest in community education.

Senator Brooke. You certainly cannot do any construction with that.

Dr. Bell. No, sir.

Senator Brooke. You will really be using existing facilities.

Ms. Englund. I think one of the original purposes of the act was to use existing resources within the community, whether they be school facilities or other public facilities, as program centers, and also the resources such as local health programs, various recreational and cultural programs that exist within the community, as well as volunteers and other services.

Dr. Bell. This is one of the parts of the Special Projects Act where an advisory council is required in the law. We have among others on the advisory council Mr. Harding Mott, whose father, through the Mott Foundation in Flint, Mich., has done a great deal to promote community education in a number of States. We are hoping, with his membership on the council, to again learn what has already been done and to utilize the expertise that has been generated in the country prior to the passage of the Special Projects Act.

CONSUMER EDUCATION

Senator Brooke. Commissioner, realistically, what do we expect to accomplish in consumer education with $3 million?

Dr. Bett. That is a very big challenge. I would like to call on our consumer education expert here to respond to that. Dean Bistline, would you please respond as to how you think we could utilize this money. This is such a big area of responsibility for such a limited amount.

Mr. Bistline. Mr. Chairman, we feel that if there is one big area where we can use this amount of money, it is to bridge the school and community consumer efforts with business side and with the number of community facilities that have been very active in consumer education. We also have found that one of the big weaknesses in our program is not the lack of curriculum but the dissemination of curriculum and the assessment of good curriculum, and the assessemnt of materials that come from industry that are useful and effective in the consumer education program. We feel that the process of awarding grants will stimulate consumer activities in the community, as well as in educational groups, to accelerate their consumer education efforts and broaden these beyond what we have so far.

Senator Brooke. Does this overlap with your consumer homemaking programs already existing?

Mr. Bistline. I think this program would broaden and deepen what has been done already in the part F program. The administration of this act will be in the Vocational Education Bureau, so there will not be duplication, we will have an opportunity to coordinate, not duplicate. We see this program as having the opportunity to broaden beyond the scope that we now find in consumer education.

Dr. Bell. I have been concerned about overlap, and we have placed this program under the Deputy Commissioner for Vocational

Education since he has both consumer and homemaking activities, and we charge him with the responsibility to see that overlook does not happen. With this program in his administrative hands, hopefully we will be able to at least maximize the chances that we do not get too much overlap.

CAREER EDUCATION

Senator **Brooke**. What exactly is the difference and distinction between career education and vocational education?

Dr. **Bell**. Dr. Hoyt is the head of the program, and I am pleased to introduce him and ask him to respond to that question. If you would, please?

Dr. **Hoyt**. I would be pleased to.

Senator, we see three major differences between career education and vocational education. First, career education is concerned with all students at all levels of education in all kinds of educational settings. Vocational education concentrates primarily, as you know, at the secondary school and the postsecondary subbaccalaureate degree level. Career education is as concerned, for example, with work for the college and university student as it is for the student in the vocational school.

Second, career education is concerned with the entire spectrum of the process of career development, beginning with very young preschool youngsters, in career awareness and motivation, decisionmaking, preparation, entry, progression, and maintenance.

Vocational education centers its primary concern on one of those steps; namely, preparation.

Third, career education extends its concern with the meaning and meaningfulness of work and the lifestyle of the individual, to unpaid work as well as paid employment in the world of work as we typically think about it.

We are concerned about work as part of one's leisure time, too; for example, the work of the volunteer, the work of the homemaker, the home as a workplace, the work of the student.

Senator **Brooke**. Thank you very much. Presumably some day HEW will fully implement career education. Do you have any estimate of how much money it will cost?

Dr. **Bell**. Dr. Hoyt might have done some theoretical calculations on that.

Dr. **Hoyt**. I think, Senator, it will be a function in part of how much State and local support goes into career education when you ask what would be the size of the needed Federal investment.

Senator **Brooke**. I want to know if you have any estimate of the total cost, if the Federal Government were to take it on.

Dr. **Hoyt**. If the Federal Government were to take it on, I would say roughly $500 million for total implementation. That would involve all the relationships with the business-labor-industry community, as well as all the inservice education, as well as providing the coordination of career education. It might take, if we took it on ourselves alone, without any State or local support, as much as $500 million.

Senator **Brooke**. If we had the money, do you think we should take it on ourselves?

Dr. **Hoyt**. No, sir. Personally, I do not. I think that the biggest thing career education has going for it is that it is primarily a local effort, and it is very much supported by State departments of education and State legislatures. I think the best thing that the Federal Government can do is encourage this with seed money, with stimulation showing we are interested, but not trying to pay the total as though we are bribing people to accept career education. We would like to see career education as a major change in American education, because it is right for American education, not because the Federal Government bribed them to make that change.

I would hope that we would not try to take on the whole cost at this level.

Senator **Brooke**. The role of the Federal Government should be one of a catalyst?

Dr. **Hoyt**. A catalyst, a stimulator, a supporter, a seed money supplier for those things that the local and State agencies simply cannot do with their own resources. As you know, Senator, there are many of the local school districts now in very bad financial status who are very eager to get into career education, and who simply do not have the local resources right now to do so.

Senator **Brooke**. If it is $500 million—if the Federal Government took it over entirely, what would be the cost to the Federal Government of doing as you have suggested, but doing it as efficiently as possible, effectively as possible?

Dr. **Hoyt**. What would be the cost if the Federal Government played the kind of role that I would see for it to play?

Senator **Brooke**. Yes.

Dr. **Hoyt**. Sir, we do not have exact figures for what it would be, but it would be under $100 million.

Senator **Brooke**. The State and local governments would have to come up with, say, approximately $400 million?

Dr. **Hoyt**. Yes, sir. About a 4-to-1 or 5-to-1 ratio. Yes, sir.

Dr. **Bell**. I might indicate, Senator Brooke, that Dr. Hoyt is a newcomer to our staff. He has written most of—maybe not most of the books, but he has written more books on career education than anyone else in the field right now, and we feel we have a very highly qualified expert in this area.

COMMISSIONER'S DISCRETIONARY FUNDS

Senator **Brooke**. I notice, Commissioner, that the authorization for packaging, field testing, and the educational TV programing—$100 million, I take it. Your total request for both of those was $10.5 million. Why such a drastic cut?

Dr. **Bell**. If you would respond to that, Mr. Evans.

Senator **Brooke**. You cut back everywhere except within the Office of Education.

Mr. **Evans**. I think you are referring to an authorization of just the balance of the authorization available. The situation we have is that this law was passed, and we were very happy to see it pass, giving the Office an authority in general in a very, very experimental area. Then the Congress determined rather than having that authority open ended, they would identify specific categories, you noted, metric, the gifted and talented, community schools, and so on, for support.

In addition to that, the statute requires us to identify specific percentages of whatever appropriation was passed to be available for those. In addition, no more than 50 percent of whatever appropriation would be passed is available for his discretion. What we have done in this case, in keeping with the fiscal restraints and so on, is to generally fix on a total here of about $39 million, roughly $18 million of which was the long-term program existing before this act was passed. The educational TV program existed previously at $7 million. The packaging was at $1.4 million; career education also existed previously, but the percentage called for was less.

And in a roundabout answer to your question, the packaging field testing element, the education TV programing, and roughly half of the career education element belong to the 50-percent discretionary portion which the Commissioner could spend on whatever he wanted to, and he chose to focus it on these areas. So one could move to the authorizing level at much higher amounts all the way down the line But if you do that in the discretionary portion, you are obliged to increase the categories in the other programs as well.

Senator **Brooke**. Thank you.

I do have a vote, and I only have a few minutes.

WOMEN'S EDUCATIONAL EQUITY

Very briefly, women's educational equity, you cut from $30 million to $6 million. First of all, what does it do?

Dr. **Bell**. Joan Duval is our expert on women's educational equity You said briefly—Joan is a great enthusiast, and we think, a tremendously fine person in this area. So quickly and in 10 words.

Senator **Brooke**. This is not discrimination against women.

Dr. **Duval**. We hope, Senator, in the first year of operation, to develop demonstration and model projects that can be duplicated in school systems, universities, and public agencies across the country We will be focusing on attempting to develop training and retraining materials for use by school systems to create, not only an awareness—that is insufficient, just the awareness, of all forms of discrimination that occur that lead to inequity—but also to train them to revise present curricular offerings and materials, and to be able to appraise them in terms of discriminatory sexist types of presentation.

We also hope to develop some model educational programs that will expand career options—vocational options for girls and women We also see this act as a good opportunity to present some new directions that would open up economic avenues for women in their adult lives.

Senator **Brooke**. You can do all this with $6 million?

Dr. **Duval**. Only in terms of demonstration and capability programs. Not all of it, certainly.

Dr. **Bell**. That is considerably limited.

JUSTIFICATION

Senator **Brooke**. Good luck. We will put your budget documents in the record

Dr. **Duval**. Thank you.

Senator **Brooke**. Thank you, Commissioner. We will take a brief recess. I will be back in a few minutes.

[A brief recess was taken.]

[The justification follows:]

Justification

Appropriation Estimate

Innovative and Experimental Programs

For carrying out the Special Projects Act (Public Law 93-380), $38,993,000.

Amounts Available for Obligation

	1975 Revised	1976 Budget Estimate
Appropriation	---	$ 38,993,000
Comparative transfer from:		
Occupational, Vocational, Adult Education	10,000,000	
Elementary and Secondary Education	7,000,000	
Salaries and Expenses	1,900,000	
Total, budget authority (obligations)	18,900,000	38,993,000

Summary of Changes

1975 Estimated obligations	$18,900,000
1976 Estimated obligations	38,993,000
Net change	+20,093,000

	1975 Base	Change from Base
Increases		
1. Metric projects	$ ---	$+2,090,000
2. Gifted and talented children	---	+2,560,000
3. Community schools	---	+3,553,000
4. Career education	10,000,000	+135,000
5. Consumer education	---	+3,135,000
6. Women's educational equity	---	+6,270,000
7. Arts in education programs	500,000	+250,000
8. Packaging and field testing	1,400,000	+2,100,000
Total, net change	---	+20,093,000

Explanation of Changes

Increases:

1. Metric projects--This is a new program based on new enacted legislation, the Special Projects Act. This activity would provide funds for approximately 70 projects for promising programs.

2. Gifted and talented children--This is a new program based on new enacted legislation, the Special Projects Act. This activity would provide 40 to [illegible] projects to meet the special needs of the gifted and talented population.

3. Community schools--This is a new program based on new enacted legislation, the Special Projects Act. This will provide 63-70 projects to further community education.

4. Career education--In 1975, $10,000,000 was funded for discretionary programs under a different authority. In fiscal year 1976, $7,000,000 is being requested for discretionary funds under the Special Project Act. That same act requires a fixed percent for mandated programs, which provides $3,135,000 for this program. The net result for this program is a $135,000 increase above the fiscal year 1975 level.

5. Consumer education--This is a new program based on new enacted legislation, the Special Project Act. This amount will provide 238 to 253 awards to promote consumer education.

6. Women's educational equity--This is a new program based on new enacted legislation, the Special Project Act. This amount will provide approximately 49-61 projects for demonstration and diffusion purposes.

7. Arts in education programs--This activity is being funded under new enacted legislation, the Special Project Act, which reeuires a minumum of $750,000 to be funded for arts in education. The increase of $250,000 brings this activity up to the required level in fiscal yerr 1976.

8. Packaging and field testing--The increase of $2,100,000 will provide the Commissioner the necessary funds to accelerate the development and demonstration of products to meet the demands from the education community. This activity was previously funded under the Cooperative Research Act.

INNOVATIVE AND EXPERIMENTAL PROGRAMS

Obligations by Activity

Appropriation/Activity

Innovative and Experimental Programs	1975 Estimate	1975 Revised	1976 Estimate	Change
1. Metric projects.............	---	---	2,090,000	+2,090,000
2. Gifted and talented.........	---	---	2,560,000	+2,560,000
3. Community schools...........	---	---	3,553,000	+3,553,000
4. Career Education............	10,000,000	10,000,000	10,135,000	+ 135,000
5. Consumer education..........	---	---	3,135,000	+3,135,000
6. Women's educational equity..	---	---	6,270,000	+6,270,000
7. Arts in education programs..	500,000	500,000	750,000	+ 250,000
8. Packaging and field testing.	1,400,000	1,400,000	3,500,000	2,100,000
9. Educational TV programming..	7,000,000	7,000,000	7,000,000	---
Total................	18,900,000	18,900,000	38,993,000	+20,093,000

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Other services: Project contracts........	17,000,000	17,000,000	24,443,614	+ 7,443,614
Grants, subsidies and contributions....	1,900,000	1,900,000	14,549,386	+12,649,386
Total Obligations....	18,900,000	18,900,000	38,993,000	+20,093,000

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation requested
Education Amendments of 1974:		
Title IV		
Section 403, Metric System of Measurement ...	$ 10,000,000	$2,090,000
Section 404, Gifted and Talented Children ...	12,250,000	2,560,000
Section 405, Community Schools	17,000,000	3,553,000
Section 406, Career Education	15,000,000	3,135,000
Section 407, Consumers' Education	15,000,000	3,135,000
Section 408, Women's Educational Equity	30,000,000	6,270,000
Section 409, Elementary and Secondary School Education in the Arts	1/	750,000
Section 402, Packaging and Field Testing ....)	100,000,000	3,500,000
Educational TV Programming ....)		7,000,000
Career Education ....)		7,000,000

1/ Not less than $750,000.

INNOVATIVE & EXPERIMENTAL PROGRAMS

YEAR	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1968	$ 1,340,000	$ 1,340,000	$ 1,340,000	$ 1,340,000
1969	1,330,000	1,330,000	1,330,000	1,330,000
1970	1,550,000	1,550,000	1,550,000	1,550,000
1971	1,700,000	1,700,000	1,700,000	1,700,000
1972	7,000,000	7,000,000	7,000,000	7,000,000
1973	7,000,000	7,000,000	7,000,000	7,000,000
1974	3,000,000	3,000,000	3,000,000	3,000,000
1975	21,000,000	19,200,000	20,650,000	18,900,000
1976	38,993,000			

Justification

Innovative and Experimental Programs

		1975 Estimate	1975 Revised	1976 Estimate	Change
1.	Metric projects............	$ ---	$ ---	$ 2,090,000	$+2,090,000
2.	Gifted and talented.......	---	---	2,560,000	+2,560,000
3.	Community schools..........	---	---	3,553,000	+3,553,000
4.	Career education...........	10,000,000	10,000,000	10,135,000	+135,000
5.	Consumer education.........	---	---	3,135,000	+3,135,000
6.	Women's educational equity.	---	---	6,270,000	+6,270,000
7.	Arts in education programs.	500,000	500,000	750,000	+250,000
8.	Packaging and field testing	1,400,000	1,400,000	3,500,000	+2,100,000
9.	Educational TV programming.	7,000,000	7,000,000	7,000,000	---
	Total.................	18,900,000	18,900,000	38,993,000	+20,093,000

General Statement

The Special Projects Act as contained in the Education Amendments of 1974, replaces the previously authorized Cooperative Research Act of 1954, and confers upon the Commissioner authority to carry out special projects for experimentation with new educational methods and practices; for meeting special educational needs and; for emphasis on national educational priorities. To this end, programs have been designed which reinforce and expand capacity building efforts in State and local educational agencies. Proposed activities in these programs include support grants, information clearinghouses, training or retraining of educational personnel, and the provision of technical assistance or other expertise and evaluation.

The legislation contains two distinct parts. The first of these consists of the following contract and/or grant programs established by statute:

1. Education for the Use of the Metric System of Measurement.
2. Gifted and Talented Children.
3. Community Schools.
4. Career Education.
5. Consumers' Education.
6. Women's Equity in Education.
7. Arts in Education Programs.

Not less than 50 percent of the funds appropriated in any given fiscal year under the Special Projects Act must be allocated to these seven program areas, according to a precise statutory allotment formula.

The second set of activities is subsumed under very broad contract authority, under which the Commissioner may elicit proposals at his own discretion, according to priorities or problems he has designated.

Three areas of emphasis have been selected by the Commissioner for fiscal year 1976. These include:

1. Educational Television Programming (including support for the CTW programs—Sesame Street, The Electric Company and similar activities).
2. Career Education (added funds to those earmarked under the "mandated" programs.
3. Packaging and field testing (continuation of the identification, validation, and dissemination process for exemplary educational projects).

As is required by law, a proposed spending plan covering the entire Special Projects Act has been submitted to the House Committee on Education and Labor and the Senate Committee on Labor and Public Welfare. Such plan is consistent with the justification following this statement.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Metric Education	—	—	$2,090,000	+$2,090,000
New awards	—	—	$2,090,000	+$2,090,000
Number	—	—	64-73	64-73

Narrative

Program Purpose

The Purpose of the Metric Education Program is to encourage educational agencies and institutions to prepare students to use the metric system measurement. This program is authorized by the Education Amendments of 1974 Title IV Section 403.

These grants or contracts are for purposes of initiating or testing model metric education programs as well as expanding present and promising programs which are currently underway. The Metric Education Program will support the following activities during academic year 1975-76:

(1) Instructional programs for students in 48-55 local educational agencies which will incorporate the International System of Units (SI) concepts into the regular curriculum on an interdisciplinary basis. The amount needed will be $1,040,000.

(2) Skills development programs for 900 teachers which will be supported at 10-15 institutions of higher education to enhance their understanding as well as their effectiveness in the teaching and use of the International System of Units (SI). The amount needed will be $300,000

(3) The reinforcement of the International System of Units concepts in the classroom, and through other than traditional classroom techniques, the teaching of parents and other members of the general public. Such reinforcement concepts will be embodied as an integral part of all projects approved for funding. The amount needed will be $550,000.

(4) The enhancement of the probability and accessibility of SI instructional services. Two mobil SI instructional laboratories will be equipped on a model testing basis to serve both urban and rural communities with operational sites ranging from school campuses to shopping center parking lots. The amount needed will be $50,000.

(5) The extension of program quality. A technical support grant or contract will provide expert services to all interested educational agencies. Approximately $200,000 will be needed for this program and the preceding mobil lab projects. The amount needed will be $150,000

This is a new program which will provide grants or contracts to eligible applicants from institutions of higher education, State and local educational agencies, and other public and private nonprofit agencies, organizations, and institutions. Applications will be made to the Commissioner of education.

Accomplishments for fiscal year 1974 and 1975

This is a new program beginning in fiscal year 1976.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Gifted and talented.............	---	---	$2,560,000	$+2,560,000
New awards..................	---	---	2,560,000	+2,560,000
Number.....................	---	---	20-26	+20-26

Narrative

Program Purpose

The purpose of the gifted and talented children program is to assist State and local educational agencies and other public and private nonprofit groups in the planning, development, operation and improvement of programs and projects designed to meet the special educational needs of gifted and talented children at the preschool and elementary and secondary school levels: and to train teachers and leadership personnel and to disseminate information to the public. This program is authorized by the Education Amendments of 1974, Title IV, Section 404.

Plans for fiscal year 1976

In order to meet the varied and comprehensive needs of the gifted and talented population, the primary emphasis will be on coordination of activities by the States, and the support of State agencies, encouraging them in cooperation with local, other public and private agencies to initiate a broad spectrum of activities.

The following objectives have been selected:

(1) To provide a broadened range of special educational services for gifted children, including extended teacher training and replication of State and local educational agency programs for these youths. This objective would be accomplished by funding projects which (a) demonstrate coordinated comprehensive services supplied by State and local agencies and institutions of higher education or (b) integrate proven successful practices.

(2) To demonstrate activities of exemplary nature which show response to major identifiable needs for special target groups, e.g., career education, culturally different, bilingual, handicapped and educationally disadvantaged.

Proposals will be solicited for exemplary projects which have national implications. Projects must demonstrate high probability of success and replicability and an economy of resources. Federal funds will not be used for basic support - however a clearinghouse will provide critical additional services and activities which promote validation of the model, and its evaluation, replication and dissemination.

(3) To train a group of leaders through academic institutions and State, local and national internships, to provide communication, technical support, training, and education information products to local, State, regional and national educational agencies and associations.

Academic institutions will be encouraged to apply for one major grant where potential and current leaders will be trained for further and higher level work. The program will provide for rotational assignments among the member institutions and as interns with national, regional or local organizations.

The technical support will provide educational services, training, planning, evaluation and educational information products to local and State educational agencies and national associations and organizations. It will also be supportive of the projects funded under the State and local leadership training model program.

(4) To identify the critical information and material needs of practitioners and design, develop and disseminate information packages on already known and most needed products.

An analysis of requirements will be funded to determine which materials are most needed by teachers, administrators, parents and students. A contract will be issued to design, development and dissemination of several products.

Accomplishments for fiscal year 1974 and 1975

This is a new program beginning in fiscal year 1976.

SUPPLEMENTARY FACT SHEET

Gifted and Talented

	1975 Estimate	1976 Estimate
Total		
Contracts and Grants Proposed		
Amount	—	$2,560,000
Number	—	20-26
Objective		
1. Grants and Contracts to Strengthen State and Local Efforts, Exemplary Programs and Training of Teachers		
Amount	—	$1,760,000
Number	—	12-15
2. Grants and Contracts to Identify, Validate, and Disseminate Best Practices		
Amount	—	$ 250,000
Number	—	5-8
3. Grants or Contracts to Train National Leadership Personnel and Provide a Communication System		
Amount	---	$ 425,000
Number	---	2
4. Grant or Contract to Identify Critical Information Material Needs		
Amount	—	$ 125,000
Number	---	1

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Community Schools	---	---	$3,553,000	+3,553,000
New awards	---	---	$3,553,000	+3,553,000
Number	---	---	63 - 70	+63 - 70

Narrative

Program Purpose

The purpose of the Community Schools Activity is to provide educational, recretional, cultural, and other related community services in accordance with the needs, interest, and concerns of the community, through the establishment of community education programs as centers for such activities carried out in cooperation with other community groups, organizations, and agencies. Grants are available to State and local educational agencies to further community education programs and to institutions of higher education for training. This activity is authorized by the Education Amendments of 1974, Title IV, Section 406.

Plans for fiscal year 1976

In furthering community education throughout the country, the Community Schools Act will provide the following:

(1) Competitive project grants to local educational agencies to establish, expand or improve, and maintain community education programs within that LEA. Project grants will be equitably distributed geographically throughout the United States in urban and rural areas.

(2) Competitive grant awards to State educational agencies for the purposes of building the capacity of SEA's to administer community education and to assist local educational agencies in planning, establishing, expending, or maintaining community education.

(3) Competitive project grants to institutions of higher education to develop and establish, or to expand, programs which will train persons to plan and operate community education programs.

(4) Technical assistance and information will be made available to community education programs and State educational agencies.

The Special Projects Act specifies the per centum of funds allotted to institutions of higher education for training. Of the amount available for State and local educational agencies, the Act states that "fifty percent of the funds shall be available for grants to State educational agencies. The remainder shall be available for grants to local educational agencies."

The following table shows the distribution of funds as required by law:

Table

Grants to State educational agencies	1,539,693
Grants to local educational agencies	1,539 693
Subtotal	3,079,386
Grants to higher education institutions for training	473,614
TOTAL	4,553,000

Accomplishments for fiscal year 1974 and 1975

This is a new program beginning in fiscal year 1976.

SUPPLEMENTARY FACT SHEET

Community Education Program

Fiscal Year Program Year	1976 Estimated 1976 - 1977
Appropriation	$3,553,000 (Request)
(1) Estimated Number of Grants	63 - 70[1]
(2) Grants to local educational agencies to establish, expand or improve and maintain community education programs within the LEA.	
Amount	$1,564,000
Estimated Number:	30 - 35
(3) Grants to assist State educational agencies for purposes of creating or building State capacity to administer community education and assist local educational agencies in planning, establishing, expanding, and maintaining community education programs	
Amount	$1,564,000
Number:	30
(4) Grants to institutions of higher education to train persons to plan and operate community education programs.	
Amount:	424,000
Number:	3-5

[1] All figures are estimates for the first year of the program.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Career Education	$10,000,000	$10,000,000	$10,135,000	$+135,000
Non-competing continuations..	---	---	4,000,000	+4,000,000
New awards....................	10,000,000	10,000,000	6,135,000	-3,865,000

Narrative

Program Purpose

The career education program has the following purposes:

1. To demonstrate the most effective methods and techniques in career education and to develop exemplary career education models, including models in which handicapped children receive appropriate career education.

2. To support efforts of State educational agencies to develop State plans for implementation by the various States.

3. To provide for the continuing assessment of the status of career education and to develop information on the needs for career education for all children; to provide for the training and retraining of persons for conducting career education programs; and to provide for continuing national dialogue and communication on career education. This activity is a multi year funded program. This activity is authorized by the Education Amended of 1974, Title IV, Section 406.

Plans for fiscal year 1976

In order to address the purposes set forth in the legislation, the career education program in fiscal year 1976 will:

1. Support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models, including models in which handicapped children and minority persons receive appropriate career education and models which operate in a variety of settings in which education has not yet occurred to any appreciable degree

2. Provide support to prepare States for the development and implementation of career education plans and programs in the local educational agencies of the States.

3. Provide support for one or two projects to conduct a continuing assessment of the status of and needs for career education, including a reassessment of the stereotyping of career opportunities by race or by sex.

4. Provide support for four or five projects in institutions of higher education, in order to demonstrate effective methods and techniques for the training and retraining persons for conducting career education programs.

5. Provide support for four or five projects designed to continue the national dialogue and communication on career education, including: (a) synthesizing and assimilating knowledge pertinent to career education from a variety of disciplines, (b) assisting local practitioners with the identification and adaptation of career education instructional materials and evaluation materials for local use, and (c) communicating the dynamics involved in creating and operating career education programs through face-to-face interaction of career education practitioners.

Accomplishments for fiscal year 1974 and 1975

Fiscal year 1975 was the first year of funding for the career education program. The following types of activities were initiated:

1. Projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models, including models in which handicapped children and minority persons receive appropriate career education and models which operate in settings in which career education has not yet occurred to any appreciable degree.

2. A project to conduct the National Survey and Assessment of the Status of Career Education, as called for in Section 406(e) of Public Law 93-380.

3. Three projects to demonstrate effectiveness methods and techniques for the training and retraining of persons for conducting career education programs.

6. Four projects designed to facilitate national dialogue and communication on career education.

These projects initiated with fiscal year 1975 funds will become operational and begin to have effect in the field during the school year 1975-76.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Consumers' Education Program	---	---	$3,135,000	+$3,135,000
New awards	---	---	$3,135,000	+$3,135,000
Number	---	---	238-253	+ 238-253

Narrative

Program Purpose

The purpose of the Consumer Education Program is to promote consumers' education through research, demonstration, and pilot projects, by developing and disseminating information on curricula; supporting programs at elementary, secondary and higher education levels; and conducting inservice and preservice training. In addition funds may be used to demonstrate, test, and evaluate consumer education activities whether or not funded by this authority. This program is authorized by Title IV, Section 407 of the Education Amendments of 1974.

Plans for fiscal year 1976

To promote consumers education contracts and grants will be provided for:

(1) Assessment and synthesis of 1-3 existing consumers' education efforts in elementary and secondary schools, institutions of higher education, State education agencies and community consumers' education programs with emphasis on development of a base of consumers' education competencies.

(2) Development of 10-12 regional resource centers designed to collect, assess, develop and disseminate curricular materials and examples of promising practices in consumers' education efforts and to conduct inservice and preservice teacher training for elementary and secondary schools, institutions of higher education, and community consumer programs.

(3) Support for four to six regional technical assistance teams to provide resources for development and operation of consumers' education programs in elementary and secondary schools, institutions of higher education, community and libray service areas also involving program promotion, coordination and model identification.

(4) Support for two to five grants for dissemination of existing media materials in elementary and secondary schools, institutions of higher education, State agencies, and community consumers' education programs.

(5) Support for one to three contracts or grants for evaluation of selected existing consumers' education programs in elementary and secondary schools, and institutions of higher education.

(6) Support for approximately 220-230 minigrant projects of up to $10,000 to conduct research, workshops, symposia, seminars, conferences, meetings preservice and inservice teacher training, involving community consumer organizations, elementary and secondary schools, State agencies, institutions of higher education and libraries to assist consumers' in their efforts to acquire an understanding relative to the causes, effects, issues of consumer problems and options available to them.

Accomplishments for fiscal years 1974 and 1975

This is a new program beginning in fiscal year 1976.

SUPPLEMENTARY FACT SHEET

Consumers' Education

	Fiscal Year Program Year	1975 1974-75	1976 1975-76
Appropriation		—	$3,135,000
Total, Contracts and Grants Proposed		—	238-253
Assessments and Synthesis of consumers' education programs in school systems		—	$ 290,000
Number			1-3
Regional technical assistance teams		—	$ 675,000
Number			4-6
Regional resource centers		—	$ 310,000
Number			10-12
Grants for dissemination		—	$ 210,000
Number			2-5
Contracts for evaluation		—	$ 150,000
Number			1-3
Minigrants		—	$1,500,000
Number			220-230

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Women's Educational Equity	—	—	$6,270,000	+$6,270,000
New awards	—	—	$6,270,000 49-61	+$6,270,000 +49-61

Narrative

Program Purpose

This program will stimulate efforts to ensure educational equity for women at all levels of education through grants and contracts for research and development, evaluation, dissemination, training, guidance and counseling, and support for the improvement and expansion of special and innovative programs. This activity is authorized by Title IV, Section 408 of the Education Amendments of 1974.

Plans for fiscal year 1976

The Women's Educational Equity Program will support projects for demonstration and diffusion purposes in the following areas:

(1) To develop, validate, and utilize training modules on the elimination of sex-sterotyping in education for the use of State and local educational agencies, in institutions of higher education, and for other educational personnel.

(2) To expand or establish training and retraining programs in educational administration, vocational education, career education, physical education, guidance and counseling, and adult education.

(3) To support new educational programs in secondary schools and post-secondary institutions which will provide opportunities to girls and women for entrance into careers from which they have traditionally been excluded.

(4) To disseminate through national and regional workshops of technical assistance materials on compliance with Title IX (Public Law 92-318), in such areas as school finance, affirmative action, elimination of sex-role stereotyping, and counseling.

(5) To identify and disseminate information about projects that focus on equalizing educational opportunities for women and girls. This will be provided through the establishment of a clearing house.

(6) Promotion of educational leadership through small grants for the support of innovative approaches to the achievement of educational equity of women.

Accomplishments in fiscal year 1974 and 1975

This is a new program beginning in fiscal year 1976.

SUPPLEMENTARY FACT SHEET

Women's Educational Equity Program

	Fiscal Year 1976 Program Year 1976-77
Appropriation	$6,270,000 (request)
1. Development of materials for training:	
a. Modules on elimination of sex-stereotyping	
Number of Projects	6 - 9[1]
Cost range	50,000 - 200,000[2]
Personnel in State and local educational agencies and institutions of higher education	400 - 600
b. Technical Assistance materials for national and regional workshops on compliance with Title IX (P.L. 92-318)	
Number of Projects	10 - 12[3]
Cost	70,000 - 90,000
Personnel in agencies and institutions, affected by Title IX	500 - 800

2. Training projects

a. New or expanded programs in educational, administration, vocational education, career education, physical education, guidance and counseling, adult education

Number of Projects	8 - 12
Cost	150,000 - 200,000
Number of participants (preservice and inservice)	150 - 225

b. Programs in secondary schools and postsecondary institutions that provide new career options to girls and women

Number of Projects	7 - 10
Costs	145,000 - 175,000
Number of participants	125 - 260

3. Survey, evaluation, and dissemination of information about projects which focus on equalizing educational opportunities for women

Number of Projects	1
Cost	450,000 - 550,000 4/
Participants	5

4. Small grants to support innovative approaches to the provision of educational equity

Number of Projects	15 - 20
Cost	10,000 - 15,000
Individuals involved	50 - 100

1/ All figures are estimates for the first year of the program.

2/ Projects may be for planning only, or for planning and one or more implementation stages-validation, small-or large-scale utilization.

3/ At least one for each region.

4/ Minimum number of individuals conduct study; recipients of information would be women's associations, women's studies programs at secondary and post-secondary levels, school districts.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Arts in Education Program	500,000	500,000	750,000	+$700,000
New awards	500,000	500,000	750,000	750,000
Number	1	1	33	33

Narrative

Program Purpose

The purpose of this program through arrangements made with the John F. Kennedy Center, for the Performing Arts, is to encourage and assist State and local educational agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary education. This activity is authorized by Title IV, Section 409 of the Education Amendments of 1974.

Plans for fiscal year 1976

In order to encourage educational programs in which the arts are an integral part of the following activities will be supported:

(1) demonstrations and exhibitions of exemplary arts education projects from an estimated 25 States will be held at the Kennedy Center for an estimated 1,000 participants and 50,000 viewers;

(2) contracts to approximately 40 States or local educational agencies to develop and execute comprehensive plans for arts education. This will be accomplished through coordination with the Kennedy Center;

(3) a national arts education workshop-conference for State delegates will be held at the Kennedy Center;

(4) workshops and seminars (approximately 12) for teachers and students (approximately 1.200) from 24 States will be held at the Center;

In addition, evaluative summaries of the outstanding comprehensive arts education programs will be distributed to all the States by the Office of Education, and a descriptive brochure on the joint program of the Office of Education and the Kennedy Center entitled "Alliance for Arts Education" (AAE) will be prepared and distributed to all States by the Office of Education.

Accomplishments in fiscal year 1974 and 1975

Utlizing fiscal year 1974 program administration funds, the Arts and Humanities Staff, in cooperation with the Kennedy Center Staff, provided support for all of the following:

(1) Three regional workshops for delegates (at least 3 from each) from all 50 States, D. C., and the Bureau of Indian Affairs.

(2) Thirty-six State-based arts education projects, including State-wide arts education (AAE) coordinating committees.

(3) Twenty exhibitions or demonstrations of exemplary State arts education programs at the Kennedy Center and in the States.

(4) Thirteen theatrical and twelve musical performances at the Center by outstanding college and university groups.

(5) A directory of key arts education personnel in all the States.

(6) Development of guidelines, regulations and funding criteria.

(7) Consultation with State alliance for arts education committees, SEA's and LEA's.

(8) Development of planning papers for the Arts in Education Program.

(9) Joint planning with Kennedy Center staff.

SUPPLEMENTARY FACT SHEET

Arts Education

	FY 1974	FY 1975	1976 Estimate
Appropriation	$500,000	$500,000	$750,000
Program			
a. Kennedy Center[1]			
Number of grants................	2	3	2
b. State Educational Agencies and Local Educational Agencies			
Number of grants[2].............	36	38	40

1/ Kennedy Center program provides for technical assistance to States, dissemination activities and demonstrations of State-based programs.

2/ State Educational Agency programs provide for coordination of State-wide arts education resources.

	1975 Estimate	1975 Revised	1976 Estimate	Decrease or Decrease
Packaging and Field-Testing	$1,400,000	$1,400,000	$3,500,000	$+2,100,000
New awards...........	600,000	600,000	3,500,000	+2,900,000
Number.............	(2)	(2)	(3)	(+1)
Non-competing continuing awards......	800,000	800,000	-0-	-800,000
Number.............	(1)	(1)	(0)	(-1)

Narrative

Program purpose

To accelerate the replication of successful approaches and products developed and demonstrated in State and discretionary grant programs supported by the Office of Education, this activity has been authorized by Title IV, section 402 of the Education Amendments of 1974. That legislation authorizes the Commissioner to carry out special projects to experiment with new educational and administrative methods, techniques, and practices to meet special or unique educational needs or problems and to place special emphasis on National education priorities.

State Departments of Education, local school districts, and parent advisory councils have requested information from the Office of Education on successful programs for the teaching of children, particularly the disadvantaged. This program was therefore designed to enable local educational agencies to replicate those practices and projects that have been developed with a Federal investment and which have been validated as successful.

Six distinct steps have been defined to accomplish the goals of this program: (1) the systematic search and identification of effective projects supported by the Office of Education; (2) final validation of the apparent success of these projects or components based on learning outcome measures, such as student test scores, and input measures, such as the resource requirements, needed to achieve these measurable results; (3) the physical boxing of the validated approaches into "project information packages" which include descriptions of the management, instructional, and supplementary resources and strategies deemed essential for achieving success by developers at the original site; (4) the replication of the approaches through the installation of each packaged model in several school sites; (5) a final revision of the packages based on an evaluation of the replication effort at these school sites; and (6) the development and implementation in conjunction with State education agencies of a dissemination strategy whereby packaged programs which are successfully replicated will become available for wider distribution.

Emphasis in the first two years of this program was given to the identification, validation and packaging of compensatory reading and math instructional programs for educationally disadvantaged children. Subsequent packaging efforts will extend to a wider range of program areas in the Office of Education.

The entire process is largely an evaluation effort and the scope of work for evaluation work generally exceeds a 12 month period.

Plans for fiscal year 1976

In order to continue activities relating to the field test evaluation of both the first set of six and the second set of twelve project information packages, $3,500,000 is being requested. In school years 1975-76 and 1976-77, an amount of $1,000,000 will support the evaluation of the two stage process of installing in various school sites around the country the first set of project information packages (six programs) which will have been previously field-tested, evaluated and revised. The first step in this process will occur in the second half of school year 1975-76 when announcements about these six revised packages are mailed to various LEA's around the country and some (presently estimated at 60) of those LEA's determine to implement one of the programs. The second step is the actual implementation process which will take place the following year, school year 1976-77. An evaluation contract for about an 18 month period will cover both stages of this process. Multi-year funding is planned for this process since the selection of project information packages by sites one year leads directly into the use of those packages at the sites the following year.

In addition, a multi-year contract for $2,300,000 will be let to cover the initial two stage process relating to the field testing of the second set of project information packages (12 projects): (a) during school year 1976-77, the field test of these packages will be designed and the process whereby available PIPS are selected by school districts will be analyzed; (b) in the succeeding school year, 1977-78, the first year of the actual field test of the 12 new packages will be conducted.

Finally, in order to promote wider adoption of the project information packages, $200,000 is budgeted to develop and implement a dissemination strategy with the assistance of the State education agencies.

Accomplishments in fiscal years 1974 and 1975

This program was initiated in fiscal year 1973 with funds authorized under the General Education Provisions Act, Section 411 and under Title III Section 306 of the Elementary and Secondary Education Act. During school year 1973-74, six (6) effective compensatory educational programs were identified, thoroughly analyzed and then physically packaged into individual portable cardboard containers. These project information packages (PIPS) include: (1) a starter kit for planning, (2) a project management directory, (3) project management displays, (4) guidelines for hiring and training project staff, (5) a starter set for implementation, (6) a classroom management directory for project teachers, (7) a student relationships album, (8) a professional relationships guide, and (9) a hardware/software packet.

In school year 1974-75 the six packaged programs were installed and the process of implementation is being evaluated at a cost of $829,228 at 17 school districts in a total of 53 schools for the first of a two-year replication effort.

With fiscal year 1975 funds, the program is being continued at a cost of $1,400,000 under the authority of the Cooperative Research Act as amended. The field testing of the original six PIPS will be continued in school year 1975-76. The primary focus of the evaluation this school year will be on comparing academic achievement results of students at these sites with academic achievement results obtained at the sites where the programs were first developed to see the extent to which the gains that were produced by the original program can be duplicated in new settings by the packaging effort. Meanwhile, during the summer and fall of 1975, the packages will be undergoing a process of modification and revision to eliminate implementation problems identified during the initial field test in school year 1974-75. (It is these revised PIPS which will be *more widely implemented in school* year 1976-77 as described above.) Finally, to initiate the development of a second set of PIPS, a contract will be let to conduct the search for up to 12 new validated programs and the process of incorporating their essential components into project information packages.

Supplemental Fact Sheet 1

The table below describes the progression of two sets of Project Information Packages (PIPs) from the search for successful projects through implementation of tested packages in schools. It shows how amounts appropriated in the designated fiscal year are used for different stages of the process in succeeding school years.

School year:	1973-74	1974-75	1975-76	1976-77	1977-78
First Set of PIPs					
1. Search and Development of Packages	FY 73 ($397,049)				
2. Field Test Evaluation		FY 74 ($829,228)	FY 75 ($800,000)		
3. Modification of Packages			FY 75 ($100,000)		
4. Implementation/Evaluation			FY 76 ($1,200,000)	FY 76	
Second Set of PIPs					
5. Search and Development of Packages			FY 75 ($500,000)		
6. Field Test Evaluation				FY 76 ($2,300,000)	FY 76
7. Modification of Packages*					
8. Implementation/Evaluation*					

Notes (keyed to the eight tasks in the table):

1. Search for successful projects and development of the first six PIPs.
2. Field test of first six PIPs in 53 schools across the country in 1974-75 and 1975-76.
3. Modification of first six PIPs based upon evaluation of the field test.
4. Evaluate the implementation of successful PIPs in new schools.
5. Search for successful projects and develop second set of twelve PIPs.
6. Field test of second set of PIPs. Evaluation of start-up activities in school year 1976-77 and classroom use of PIPs in 1977-78 and 1978-79.
7. Modification of second set of PIPs based upon field test.*
8. Evaluate the implementation of successful PIPs from second set in new schools.*

* To be funded out of appropriations in later years.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Educational TV programming	$7,000,000	$7,000,000	$7,000,000	---
Non-competing continuations	$5,500,000	$5,500,000	$4,000,000	$-1,500,000
Number	1	1	1	---
New awards	$1,500,000	$3,000,000	$3,000,000	$+1,500,000
Number	5-15	5-15	5-15	---

Program purpose

The purpose of this program is to provide funds in support of development, production and installation of educational television programs, which demonstrate an ability to help children and adults learn.

In previous years, this program has been funded under the Cooperative Research Act authority. This program is now authorized by the Education Amendments of 1974, Title IV, section 403.

Plans for fiscal year 1976

To support the development and demonstration of innovative educational programs, which demonstrate an ability to help children and adults learn, especially the "disadvantaged" in their school or at home competitive contracts will be awarded to develop and demonstrate educational television programming.

An estimated $4 million will be available for the Children's Television Workshop (CTW), producers of Sesame Street and the Electric Company. This will provide funds for ongoing programs.

In addition, the remaining $3 million would be used to (1) probe the utility and/or the development potential of audio or television programs as an effective vehicle to provide supplemental education to adolescents in patterns similar to Sesame Street and the Electric Company; (2) develop educational television programs that will begin to acquaint the general population with the need to understand, and the ability to use the metric system of weights and measures; (3) develop programs that will assist the public in acquiring and understanding the causes, effects, issues, and options of consumers' education; (4) a program on the performing arts, and (5) programs dealing with preschool children and Community Education.

Accomplishments in fiscal year 1974 and 1975

In fiscal year 1974 and 1975, a major grant was awarded to the Children's Television Workshop for the production activities associated with Sesame Street and the Electric Company, $3,000,000 in 1974 and $5,500,000 in 1975. The focus of Sesame Street is on basic reading and arithmetic skills for preschool children. The Electric Company provides instruction in basic reading skills for children, ages 7-10. In the 1974-1975 season, Sesame Street will experiment with new goals in fostering imaginative thinking in preschool children and will explore approaches to career education, particularly as that relates to sex stereotyping. The Electric Company will maintain a basic curriculum of reading instruction, but will attempt further to nourish an understanding of the fundamental concepts and processes underlying language and reading. The sixth season of Sesame Street will consist of 130 hour-long color television programs to begin broadcast in November of 1974. The fourth season of the Electric Company will consist of 130 color half-hour programs to begin broadcast in October 1974.

The audience of Sesame Street during fiscal year 1974 was estimated at approximately ten million children, the vast majority of them preschool children. The audience for the Electric Company is estimated at six-million with approximately three million students viewing the programs in classrooms.

In fiscal year 1975, the remaining funds ($1.5) will be used to look into the feasibility, approach, methods to be followed, classroom or world of work follow-up and reinforcement to the various educational TV activities we are proposing for fiscal year 1976.

	1975	1976
Sesame Street and Electric Company	$5,500,000	$4,000,000
Other Programs	$1,500,000	$3,000,000

Program Purpose and Accomplishments

Activity: Metric Education

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$ ---	$ ---	$10,000,000	$2,090,000

Purpose: The purpose of the Metric Education Program is to encourage educational agencies and institutions to prepare students to use the metric system of measurement. This program is authorized by Title IV, section 403 of the Education Amendments of 1974.

Explanation: Applications are received from institutions of higher education, State and local educational agencies, and other public and private nonprofit agencies, organizations, and institutions. Applications will be made to the Commissioner of Education who will make grants or contracts to those eligible. Applications from local educational agencies must be approved by the States.

Accomplishments in fiscal year 1975: This is anew program beginning in fiscal year 1976.

Objectives for 1976: To incorporate the International System of Units (SI) concepts into the regular school curriculum on an interdisciplinary basis. Skills development programs will be supported at 10 to 15 institutions of higher education to enhance teachers' understanding of the International System of Units (SI). Two mobile SI instructional laboratories will be equipped on a model testing basis to serve both urban and rural communities. To extend program quality, a technical support grant or contract will provide expert services to all interested educational agencies.

Activity: Gifted and talented children

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
---	---	$12,250,000	$2,560,000

Purpose: The purpose of this program is to assist State and local educational agencies and other public and private nonprofit groups in the planning, development, operation and improvement of programs designed to meet special educational needs of gifted and talented children at the preschool and elementary and secondary school levels, and to train teachers and leadership personnel and to disseminate information to the public. This program is authorized by Title IV section 404, of the Education Amendments of 1974.

Explanation: The Commissioner will make grants to State and local educational agencies. Any State or local education agency shall submit an application to the Commissioner. Local educational agencies must have approval from the State agency. The Commissioner will also designate a clearinghouse to obtain and disseminate information to the public.

Accomplishments in 1975: This is a new program beginning in fiscal year 1976.

Objectives for 1976: In order to meet the varied and comprehensive needs of the gifted and talented population the primary emphasis will be on coordination of activities by the States, and encouraging them in cooperation with local, and other public and private agencies to initiate a broad spectrum of activities.

Activity: Community schools

1975 Estimate	1975 Revised	1975 Authorization	1975 Budget Estimate
$ ---	$ ---	$17,000,000 1/	$3,353,000

1/ $15, million for grants to State educational agencies; $2 million for training grants to institutions of higher education.

Purpose: This program will provide educational, recreational, cultural, and other related community services in accordance with the needs, interests, and concerns of the community, through the establishment of community education programs and to institutions of higher education for training. This program is authorized by Title IV, Section 405 of the Education amendments of 1974.

Explanation: Grants are made to State and local educational agencies and to institutions of higher education. Applications shall be submitted to the Commissioner. Fifty percent of the grants will be made to the States and 50 percent to the local education agencies.

Accomplishments in 1975: This is a new program beginning in fiscal year 1976.

Objectives for 1976: To establish, expand or improve community education programs. Project grants will be equally distributed geographically throughout the U.S. in urban and rural areas. Competitive grants will be made to States to administer community education programs. Competitive grants will be given higher education institutions to develop or expand programs to train persons to operate community education programs.

Activity: Career education

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$10,000,000 1/	$10,000,000 1/	$15,000,000	$10,135,000 1/

1/ "Career Education" was funded in fiscal year 1975 under the cooperative research authority.

Purpose: This program has the following purposes:

1. To demonstrate the most effective mentods and techniques in career education and to develop exemplary career education models, including models in which handicapped children receive appropriate career education.

2. To support efforts of State educational agencies to develop State plans for implementation by the various States.

3. To provide for the continuing assessment of the status of career education and to develop information on the needs for career education for all children; to pro

vide for the training and retraining of persons for conducting career education programs; and to provide for continuing national dialogue and communication on career education.

This program is authorized by Title IV, Section 402 and 406 of the Education Amendments of 1974. This activity is a multi year funded program.

Explanation: Grants are made to State and local educational agencies, institutions of higher education, and other nonprofit agencies and organizations. Grants are made to State educational agencies to enable them to develop State plans for the development and implementation of career education programs in the local educational agencies of the States.

Accomplishments in 1975: Fiscal year 1975 was the first year of funding for the career education program. Support was given to approximately 100 projects to demonstrate the most effective methods and techniques in models in which handicapped children and minority persons received appropriate career education and models which operate in settings in which career education has not yet occured to any appreciable degree.. In addition, support was given for (1) three projects to demonstrate effective methods and techniques for the training and retraining of persons for conducting career education programs; (2) four projects designed to facilitate national dialogue and communication on career education; and (3) a project to conduct the National Survey Assessment of the Status of Career Education, as required under Section 406(e) of Public Law 93-380.

Objectives for 1976: A major objective is to support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models. In addition State educational agencies would be supported to develop State plans for the development and implementation of career education programs in the local educational agencies of the States.

To affect the teacher training approach and attitude toward career education by supporting institutions of higher education, for training and retraining of persons for conducting career education programs.

Activity: Consumers' education

1975 Estimate	1975 Revised	1976	
		Authorization	Budget Estimate
---	---	$15,000,000	$3,135,000

Purpose: The purpose of this program is to promote consumers' education through research, demonstration, and pilot projects, by developing and disseminating information on curricula; supporting programs at elementary, secondary and higher education levels; and conducting inservice and preservice training. In addition funds may be used to demonstrate, test and evaluate consumer education activities whether or not funded by this authority. This program is authorized by Title IV, Section 407 of the Education Amendments of 1974.

Explanation: Grants are made to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private agencies, organizations, and institutions (including libraries). No grant will be made other than to a nonprofit agency, organization, or institution. An application from a local educational agency will not be approved by the Director unless the State educational agency has been notified of the application and has had an opportunity to offer recommendations.

Accomplishments in 1975: This is a new program beginning in fiscal year 1976

Objectives for 1976: To begin the process of encouraging public awareness of the need for, and benefits of consumer education. In order to accomplish the goal an analysis will attempt to determine the most effective and efficient methods of teaching, disseminating and providing technical assistance in the area of consumers' education.

Activity: Women's Educational Equity

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$ ---	$ ---	$30,000,000	$6,270,000

Purpose: The purpose of this program is to promote educational equity for women at all levels of education through grants and contracts for research and development, evaluation, dissemination, training, guidance and counseling, and support for the improvement and expansion of special and innovative programs. This program is authorized by the Title IV, Section 408 of the Education Amendments of 1974.

Explanation: Grants are made to, and contracts with, public agencies, and provide nonprofit organizations and with individuals to carry out the purposes of this program. Applications should be submitted to the Commissioner. Additional grants to public and private nonprofit agencies and to individuals, not to exceed $15,000 each will be made in order to support innovative approaches to achieving the purposes of the program.

Accomplishments in 1975: This is a new program beginning in fiscal year 1976.

Objectives for 1976: The objectives for the Women's Educational Equity Program in fiscal year 1976 are (1) to develop training modules on the elimination of sex-sterotyping in education; (2) to expand and establish training and retraining programs in selected educational fields; (3) to support new educational programs in secondary schools and postsecondary institutions which will provide increased opportunities to girls and women for entrance into careers: (4) to disseminate materials on compliance with Title IX (Public Law 92-318); (5) to identify and disseminate information on projects that focus on equality of educational opportunities for women and girls; and (6) to promote educational leadership through small grants for the support of innovative approaches to the achievement of educational equity for women. A clearinghouse will be funded for this program in fiscal year 1976.

Activity: Arts in education programs

1975 Estimate	1975 Revised	1976 Authorization	1976 Budget Estimate
$500,000[1/]	$500,000[1/]	$750,000	$750,000

1/ The "Arts in Education Program" was funded in fiscal year 1975 under the General Education Provisions Act.

Purpose: The purpose of this program is to encourage and assist State and local educational agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school programs. This activity is authorized by Title IV, section 409, of the Education Amendments of 1974.

Explanation: Through arrangements made with John F. Kennedy Center for the Performing Arts, grants are made to, and contracts with, State and local educational agencies.

Accomplishments in 1975: In cooperation with the Kennedy Center staff, support was provided for (1) three regional workshops; (2) thirty-six State-based arts education projects; (3) twenty exhibitions or demonstrations of exemplary State arts education programs at the Kennedy Center and the States; and (4) thirteen theatrical and twelve musical performances at the Kennedy Center by outstanding college and university groups. In addition, guidelines, regulations, and funding criteria were developed, as well as a directory of key arts education personnel in all of the States. There was consultation with State alliance for arts education committees

(State and local educational agencies), development of planning papers for the arts in education program, and joint planning with Kennedy Center staff.

Objectives for 1976: To identify, demonstrate and exhibit exemplary arts education projects from the various States; to assist local educational agencies in developing and executing comprehensive plans for arts education.

Activity: Packaging and field testing

1975	1975	1976	
Estimate	Revised	Authorization	Estimate
$1,400,000	$1,400,000	$100,000,000[1]	$3,500,000

[1] This amount is for the Commissioner's discretionary fund of which this program is a part.

Purpose: To accelerate the replication of successful approaches and products developed and demonstrated in Office of Education supported State and discretionary grant programs, this activity is authorized by Title IV, section 402 of the Education Amendments of 1974. That legislation authorizes the Commissioner to carry out special projects to experiment with new educational and administrative methods, techniques, and practices to meet special or unique educational needs or problems and to place special emphasis on national education priorities.

Explanation: The Commissioner is authorized to award contracts on a competitive basis to public and private agencies, organizations, associations, institutions and with individuals in order to carry out the purposes of this activity.

Accomplishments in 1975: Emphasis in the first two years of this program has been given to the identification, validation, packaging and field testing of compensatory reading and math instructional programs for educationally disadvantaged children. With funds appropriated this year under the Cooperative Research Act, six project information packages containing the essential components of projects which proved successful at the sites where they were developed, will be field-tested for a second year and revised. Also, twelve new projects will also be identified and incorporated into project information packages.

Objectives for 1976: The request will be used for (a) a contract to evaluate a larger scale implementation of the six original project information packages, (PIPs), as revised, (b) a contract for a two year process of field testing the second set of twelve PIPs, and (c) the development and implementation with State agencies of a strategy for wider dissemination of field tested packages.

Activity: Educational television programming

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$7,000,000	$7,000,000	$100,000,000[1]	$7,000,000

[1] This amount is for the Commissioner's discretionary fund of which program is a part.

Purpose: The purpose of this program is to provide funds in support of development, production and installation of educational television programs, which demonstrate an ability to help children and adults learn, especially the disadvantaged in their school or at home. In previous years this program has been funded under the Cooperative Research Act authority. This program is now authorized by the Education Amendments of 1974, Title IV, Section 403.

Accomplishments in 1975: One major grant was awarded to the Children's Television Workshop for the production activities associated with Sesame Street and The

Electric Company. The focus of Sesame Street is on basic reading and arithemetic skills for preschool children. The Electric Company provides instruction in basic reading skills for children, ages 7-10.

Explanation: The Commissioner will make grants as determined necessary by National needs. Children's Television Workshop will be provided additional funds to document their experiences and approaches through the life of the development and demonstration project so they can be shared with the educational community.

Other programs as determined by the Commissioner will provide funds to develop television programs relating to adolescent problems, community education, and other National needs.

Objectives for 1976: To support the development and demonstration of innovative educational television programs, which demonstrate an ability to help children and adults learn, especially the "disadvantaged" in their school or at home.

Innovative and Experimental Programs
Interim Budget

Justification

No funds are needed for this appropriation during the period July 1, 1976 through September 30, 1976. The activities funded under this appropriation would provide grants and contracts after September 30, 1976.

SALARIES AND EXPENSES

STATEMENT OF DR. JOHN W. EVANS, ACTING DEPUTY COMMISSIONER FOR PLANNING

ACCOMPANIED BY:

DR. T. H. BELL, COMMISSIONER OF EDUCATION
EDWARD T. YORK, DEPUTY COMMISSIONER FOR MANAGEMENT
JACK BILLINGS, ACTING ASSISTANT COMMISSIONER, OFFICE OF PUBLIC AFFAIRS
BERT MOGIN, EVALUATION COORDINATOR
CORA P. BEEBE, ACTING BUDGET OFFICER
CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER

BUDGET REQUEST

Senator **BROOKE**. Next, the subcommittee will hear the budget for salaries and expenses of the Office of Education. The request totals $112.5 million, a reduction of $2 million from their last year's appropriation.

Dr. Evans, will you introduce your associates?

Dr. **EVANS**. I would like to precede that introduction, if I may, with a general comment that is important for us as we go through this fairly complicated appropriation which is to understand that this appropriation deals with more than the classic category of program administration. It contains, also, the moneys we are requesting for planning and evaluation, some money for advisory committees, some money for general program dissemination or public affairs activities and information clearinghouse activities. The people assembled here will speak to these various parts of our request.

On my right is Mr. Ed York, Deputy Commissioner for Management. He is accompanied by Brian Stacey who will assist him in the general program administration area, salaries, expenses, and the like. On the extreme right end is Bert Mogin who works with me on my general responsibilities for planning and evaluation. On the other side of the recording secretary is Mr. Jack Billings, Office of Public Affairs; and Charlie Miller, of course, is down at the end of the table.

PREPARED STATEMENT

We have a statement here, Mr. Chairman, which I can either read or submit for the record, as your pleasure suits.

Senator **BROOKE**. If you could submit it to the record, without objection it will be submitted for the record. But if you could summarize, and then we could get to the questions, I would appreciate it.

[The statement follows:]

Mr. Chairman and members of the committee, I am happy to present the fiscal year 1976 request for the salaries and expenses account which totals $112.5 million and represents a net increase of $11.9 million above the 1975 level. This appropriation not only includes program administration activity, but also planning and evaluation, advisory committees, general program dissemination and information clearinghouses.

I would like to turn now to the specifics of our request under each of the activities.

PROGRAM ADMINISTRATION

Our request of $100.7 million and 3,040 positions for program administration is for the management and support of the Office of Education. This represents only 2 percent of the total funds being requested for all education programs being administered by the Office. Our objectives are:

(1) The establishment of staff competency both in the regions and headquarters to insure that recipients of funds in States and local school districts and higher education institutions can have timely and efficient access to technical assistance when needed,

(2) The continued emphasis on modern techniques of evaluation and dissemination of vital information to provide interested groups the data needed to determine the status and progress made in educational programs, and

(3) A constant review of our administrative machinery to insure we are conducting our operations in the most effective and efficient manner.

The budget reflects an increased requirement of $8.8 million and 167 positions. Significant decreases result from the completion in fiscal year 1975 of studies mandated by the Education Amendments of 1974 and in contractual services.

The request for the 167 new positions is in three program areas: First, 117 positions to continue to strengthen the management of the guaranteed student loan program; second, 42 positions to carry out the provisions of the 1974 Special Projects Act which establishes 8 new innovative and experimental programs; and third, 8 positions to administer the expanded higher education incentive grants for State scholarships program. In the case of the guaranteed student loan program increase, 102 of the positions are for field operations and 15 are for the central office. These positions are very cost effective; in fact, we anticipate that each collector will eventually collect eight times the cost of their position.

Other objectives for these units are to make students more aware of their responsibility to repay loans, refining an efficient claims examination process, continue to encourage lender participation in the program, increase collections of student loans, and accelerate litigation of defaulted borrowers.

Additional manpower requirements to address other program priorities in the fiscal year 1976 request will be met through a proposed reallocation of authorized positions from activities proposed for termination or phaseout.

PLANNING AND EVALUATION

For planning and evaluation, we are requesting $9 million for fiscal year 1976. This represents an increase of $2.6 million over the comparable appropriation for fiscal year 1975.

We plan to use the funds to achieve two main objectives; first, to continue studies mandated by Public Law 93-380, and second, to continue to conduct national evaluations of the effectiveness or impact of our major Federal education programs.

As you are aware, in the Education Amendments of 1974, the Congress mandated over 20 new studies and reports. Of these, 10 were supported in this activity in fiscal year 1975. Seven of these will be continued in fiscal year 1976, and will cover various aspects of ESEA, title I, bilingual education, career education, and State uses of Federal evaluation funds. In addition, a study of cooperative education requested in the fiscal year 1975 Senate committee report will also be continued.

To meet the second objective, the conduct of national impact evaluations, we will continue five studies begun in fiscal year 1975 or prior years, and initiate 10 new studies in such areas as vocational education, Indian education, student aid, education of the handicapped, and teacher corps. These studies will provide objective information about the effectiveness of these programs, will help us learn what works, what does not work and why, and also will provide additional input for the gradually expanding annual evaluation report to Congress.

In addition, a portion of the funds, will be used by the Office of the Secretary to conduct approximately 10 planning studies on a variety of major educational problems and issues.

We are now receiving and making use of the results of the studies completed during the last several years. For example, our study of the interest subsidy and default projects identified the magnitude of the default problem and influenced changes in program operations, management, staffing, and regulations. Our study of accreditation and institutional eligibility has influenced new FTC regulations relating to proprietary institutions and has been the basis for testimony on consumer protection before at least three congressional committees. Our study of the bilingual education program has lead to increased emphasis on staff development and training and preparation of instructional materials, which is reflected in our budget request for that program.

ADVISORY COMMITTEES

Funds are requested for 13 public advisory committees that serve the Office of Education. These committees, in addition to performing specific congressionally mandated functions, advise the Commissioner and the Secretary on matters of general policy concerning the administration of respective educational programs. The amount requested for this activity, $2,041,000, is an increase of $300,000 over the 1975 level, and will support full year costs for the advisory committees in 1976, which include the new committees authorized by the Education Amendments of 1974.

DISSEMINATION

We are requesting $500,000, the same level as last year, for general program dissemination activities to enable the Commissioner to carry out his responsibilities to prepare and disseminate information about Office of Education programs to the general public. In addition we are requesting $300,000, twice as much as last year's level for planning, to fund the operations of three new legislatively mandated information clearinghouses. These will collect, analyze, and disseminate information on adult, bilingual, and community education.

I will be glad to respond to your questions.

PROGRAM ADMINISTRATION

Dr. **Evans**. By way of quick summary, then, we are asking for a total of $122 million which, as you have already noted in your opening statement, is divided into the categories that I have just referred to—a rather heterogeneous set of categories.

On the matter of program administration, Mr. York will speak to the details of that. The only general words I would make is we consider this to be a spare request in this area. We know that administrative expenses is a vulnerable and sensitive area, but we have prepared this budget with an eye to that concern, and would urge you and this committee to give full and sympathetic consideration to this request; because I think you know, Senator, that the Office of Education has been under some criticism by this committee and others as well for the lack of program monitoring, among other things which the Office of Education simply cannot do if it does not have adequate staff and support in the administrative area.

PLANNING AND EVALUATION

In the area of planning and evaluation, which is the other major request in this category, we have, as you know, as a result of Public Law 93–380, a new set of mandated evaluation studies and other kinds of studies that the law requires us to carry out. We are requesting a modest increase in that portion of the budget which would take us to a level of about $9 million. This will allow us to continue a large number of evaluation studies of Office of Education programs that we have underway, and would allow us to launch and continue this very substantial set of newly required studies coming out of Public Law 93–380. I think that summarizes the major elements in our request. We will be happy to take your questions.

COST OF LIVING

Senator **Brooke**. Is your budget based on the present 5-percent limit on cost-of-living increases?

Mr. **York**. Our 1976 budget does not include a cost of living or pay raise increase. Our 1975 budget includes $2.3 million for the October pay raises.

Senator **Brooke**. What would happen if the Congress did not go along with the President's proposal?

Mr. **York**. A 5-percent increase would mean a dollar increase of $3.1 million in personnel compensation. For each percentage point an amount of $620,000 would be required.

FEWER FEDERAL PEOPLE

Senator **Brooke**. $3.1 million? Last year the Congress consolidated several elementary and secondary programs. At that time you said it would take fewer Federal people to run the programs with that reduction. Is that reflected in this budget?

Mr. **York**. Yes, sir, we reduced our total personnel requirements by approximately 200 positions. You should also understand that the consolidation will not take place fully until 1977. Half will go into effect in 1976, and the rest in 1977. We have already contributed 200 positions for operating the program in 1976, partially consolidated and partially as the individual categorical programs.

Dr. **Bell**. We should indicate, Senator, that the gross numbers do not reflect 200 reductions because we added to our workloads for guaranteed student loans. The people that we added were put on to carry out this loan collection responsibility that we have primarily out in the regional offices.

Senator **Brooke**. Mr. Evans referred to that in his statement.

Dr. **Bell**. The total number of staff members we did cut were 200.

Mr. **York**. We had a net increase in 1974 of 77 positions.

OE REORGANIZATION

Senator **Brooke**. Do you have any staff involved in the analysis of your agencies; organization and management?

Mr. **York**. Yes, sir, we do. Within one of the organizations that reports to me, the management analysis staff, we are continually reviewing the organization and the effectiveness of the organization. We are in the process of putting in place a manpower measurement system which is in place in one program fully, under the guaranteed student loan program. This uses workload factors and workload criteria to assess the use of our people. It makes sure we are using the people as effectively as we can so that we do not have more people than we need on a particular program that is ongoing.

Senator **Brooke**. What do these people do besides continuous reorganization?

Mr. **York**. They are not promoting reorganization, Mr. Chairman. What they do have a responsibility for is, when there is a proposal to reorganize a part of the Office, to review that in terms of the overall structure and the guidelines that we follow from the Department to make sure what we are doing makes sense to do. That is only a small piece of it.

The second piece of it, which is this manpower measurement system, reviewing the facts on an ongoing basis, pieces of the organization—not from an organizational standpoint, but from the standpoint of an effective use of our personnel. That is the primary thing they will do. The organizational changes are somewhat incidental.

Dr. **Bell**. I should indicate, Senator, when I came on board as a new Commissioner I announced that I was not going to reorganize the Office of Education. Following that, with the education amendments that were passed, three program areas were required to report directly to me. Because of those requirements, and some other mandates in the law, we did make shifts to comply with the law. But I felt the Office of Education has been reorganized structurally far too much, and I was not really familiar with what the shape of the Office was, but I was determined whatever shape it was in—unless something was just crying for change—that I was not going to come in and reorganize it again, particularly since I am the fourth Commissioner in 6 years.

I did not feel this would bring stability that I think is needed in the Office of Education.

Senator **Brooke**. I agree. You certainly do need stability, and there has been a continuous reorganization.

Dr. **Bell**. There has been.

Mr. YORK. The last major reorganization was in January of 1974. Since that time, the only changes that we have had are those that are mandated by the law.

Dr. BELL. After going through that, you can imagine the anticipation of the staff; whenever a new Commissioner comes, he reorganizes. And I felt I ought to try to lower the apprehension of that when I came on board.

Senator BROOKE. You had a last major one, but you had a series of minor reorganizations.

Mr. YORK. Since then, those such as related to the things we were required to do by the law; to realine some of the real organizations effectively that report directly to the Commissioner.

PERSONNEL FOR IMPACT AID

Senator BROOKE. The law has some very specific requirements for the impact aid program. Congress rejected your proposals to cut back impact aid. How many more people will be required?

Mr. YORK. I think our answer to that would be, we will accommodate that by further internal reallocations of positions between programs.

Senator BROOKE. You will not need any additional personnel?

Mr. YORK. We will not request any additional positions.

Dr. BELL. We will need them, but we are not authorized to ask for them. And we will reorganize with those that we have.

Senator BROOKE. They would have the qualifications?

Dr. BELL. It would require some retraining and some reorientation, but we will have to make some shifts because of the complexity of that particular law.

Senator BROOKE. That would be in compliance with the law if you did request additional personnel?

Mr. YORK. I am not really able to answer that question whether it would be in compliance with the law. Certainly there is some indication in the law that additional positions would be required within the law do do that, and we will certainly ask counsel that question. If there was a legal requirement to do that, we would ask for additional positions. I am unaware that there is anything in the law.

Mr. MILLER. I would like to comment on that too. We released the 1975 funds so I assume that program still has in place the people to administer the program. The program is a complicated one; it will get more complicated under the law, and I certainly would agree that we would probably need more staff. But if your question implied that the budget contained plans to reduce staff, I do not believe that was proposed.

Dr. BELL. I will have to remove staff from other program areas and transfer here. It will be a matter of finding out where we will do the least damage.

Mr. YORK. In fact, Mr. Chairman, we were required to do that in 1974 as a result of Public Law 93-380, and at some levels that we expected to be different, we did make some significant internal reallocations in the program.

EQUALITY AND CONTINUING EDUCATION COUNCILS

Senator **Brooke**. Why have you not requested any funds for Councils on Equality of Education and Continuing Education? What is the problem?

Mr. **York**. Both Councils legislatively run out July 1975. We will not have a continuation of those Councils beyond that point.

Dr. **Bell**. That was on the books and was never implemented.

Senator **Brooke**. Is that right?

Dr. **Bell**. Right.

Senator **Brooke**. Any one of those Councils?

Dr. **Bell**. The one on quality of education was never implemented.

Senator **Brooke**. What about continuing education?

Ms. **Bailey**. We have not requested any funds because the administration has not requested any funds for the program.

Dr. **Bell**. This is Ann Bailey, who has responsibility for all the advisory councils in the Office of Education.

Senator **Brooke**. Those Councils do not exist at the present time?

Ms. **Bailey**. Both Councils are in operation currently.

Senator **Brooke**. If the committee wanted to continue these two Councils, it would presumably require legislative language. And would the Office assist in preparing that language?

Dr. **Bell**. We would assist in anything that the committee asked us to do.

Senator **Brooke**. You are not opposed to these two Councils?

Ms. **Bailey**. We are not opposed to the continuation of these two Councils if the committee wishes to provide funds for them. The Commissioner does not plan to ask for termination of quality in education program.

Senator **Brooke**. Why?

Dr. **Bell**. The administration has debated this one quite extensively. I might add that it was debated when I was with the Office of Education back in 1971–1970, when I was Deputy Commissioner and Secretary Richardson was there. I might add, parenthetically, at that time I argued in favor of the Council on Quality Education, but the administration feels that this is a proliferation of Councils, and this is an overall Council on Quality Education, and that most of the major programs currently have a council. And therefore, it would be a duplication of function. To have a Council on Quality Education would be looking at quality in the various program areas where we also have councils.

Senator **Brooke**. You mean all the Councils are looking at the problem of quality education?

Dr. **Bell**. Yes, sir. Presumably—take our new Council in Career Education that has just been appointed, and our new National Council on Community Schools. Obviously, they are going to be interested in giving the advice that will help us attain the highest possible quality in those program areas. So the position of the administration has been that the purpose of all of these Councils is to promote the highest possible quality.

Take the Council on the Education of the Disadvantaged. They are concentrating on this continuously. So I think that the point of view, therefore, is that this is a duplication of function; that all the advisory councils should be concerned with quality in the program areas that they are assigned.

Senator **Brooke**. That is the only reason that you would like to terminate that?

Dr. **Bell**. The legislation, I think, did not include it.

Mr. **Stacey**. I think there has been some confusion about the Council that has never been implemented—the quality of education. The one we have budgeted—Equality of Education Opportunity—the legislation for that expires on July 1.

Senator **Brooke**. The question I have asked—you have been addressing yourself to quality—was the Equality of Educational Opportunity.

Dr. **Bell**. I thought the Senator was referring to this other Council—the one that Senator Pell had in his legislation several years ago and was constantly after us for not implementing it.

EQUALITY OF EDUCATIONAL OPPORTUNITY

Senator **Brooke**. What is the status of the Council on Equality of Educational Opportunity?

Ms. **Bailey**. It is to be terminated by a section in the education amendment. The termination date is June 30, 1975. It is in operation until then.

Senator **Brooke**. So neither the Equality of Educational Opportunity, nor the Quality Education are presently operating?

Dr. **Bell**. That is correct, and there are no funds requested.

Ms. **Bailey**. EEO is running now.

Dr. **Bell**. It will expire the end of this fiscal year.

Senator **Brooke**. We are getting pressure on both of these Councils, and we would need language.

Dr. **Bell**. We would be happy to help you on that.

GUARANTEED LOAN PROGRAM

Senator **Brooke**. One final question.

Your justification indicates that 102 new positions for the guaranteed loan program will be placed in the field. Have you got any hard results on the 200 new positions that you got from us last year?

Mr. **York**. We have had a significant increase in the dollar levels of collections. Even in excess of our estimate as to what these people would be able to do in the first year that they were in the field. I would like to point out that out of those 102, about 35 of those will be additional collector positions. Most of the others will be going into some of the other things we think we need to devote attention to lower the default rate, more extensive review of lenders, extensive review of the schools themselves, make sure we have compliance with particular emphasis on those hundreds of schools where we have had high delinquency rates and high default rates in the past. Emphasis on that and emphasis on those schools, or lenders, where either HEW audit or GAO has made a review and has indicated that there is some correction necessary; to follow to make sure those corrections were put in effect. A fairly sizable number of the 102 will be in that type of activity will have a long-term payoff in terms of the effectiveness of the program, and hopefully reducing the default rate.

Senator **Brooke**. Did you not testify on that before, the other day, Mr. York?

Mr. **York**. Yes.

Senator **Brooke**. I thought the whole 102 was going into the field.

Mr. **York**. The 102 are going into the field. There are 117 positions requested for BSL—15 for the headquarters organization, 102 for the field organization Of the 102, approximately 35 will be additional collectors. The remainder, which are also in regional offices, are the people who will go out and actually do the reviews with a lender of the interest payments, the effectiveness of his filing, due diligence before filing claims—the same thing with the school lenders and reviewing with the schools the operation of their programs.

REFUSALS TO MAKE LOANS

Senator **Brooke**. As you recall, the other day we had this discussion. I was very much concerned about the number of lending institutions that were not making these student loans. and I think I asked you if you could look into this and supply an answer for the record, some indication as to how widespread this refusal by lending institutions happens to be. I think you thought you were not having much difficulty.

Mr. **York**. There are geographical pockets that there has been some difficulty in getting lenders to participate in the program. It is difficult to determine any point in time exactly how many lenders are participating. We know there are 19,000 lenders that have participated in this program. Exactly how many of those are making loans, on a given day or a given week, is a statistic we really do not have. We will get reports from time to time on geographical areas where there is a problem of lenders participating in the program, and we try to work with the lenders in that area. And with the State program—if it happens to be a State program—or the institution to try to encourage lenders to participate more actively in the program.

Senator **Brooke**. You are using the prestige, if not the power, of your office to encourage these lenders to make these loans; are you not?

Dr. **Bell**. We surely are. I think, Senator, that we will see possibly an increase as the interest rates are coming down, because we will be in a more competitive position. We had a ceiling of 10 percent and once the prime rate was 13 percent, so that left us in a difficult position.

CONCLUSION OF HEARINGS

Senator **Brooke**. Thank you very kindly.

Dr. **Bell**. This concludes our hearings before this committee. We would like to express our thanks to you and to your staff. It has been my first round, and it has been a pleasurable experience for me.

JUSTIFICATION

Senator **Brooke**. Thank you. Let me reciprocate and say how very pleased we are to have had you and your associates. It has been nice to work with you, and you have been most cooperative. All of your congressional budget justifications will be included in the record.

[The justification follows:]

Justification

Appropriation Estimate

SALARIES AND EXPENSES

For carrying out, to the extent not otherwise provided, the General Education Provisions Act, and the [Cooperative Research Act,] 1/ *Education Amendments of 1974,* 2/ including rental of conference rooms in the District of Columbia, [$114,400,000.] *$112,525,000.*

For "Salaries and expenses' for the period July 1, 1976, through September 30, 1976, $24,643,000. (Department of Health, Education and Welfare Appropriations Act, 1975.)

Explanation of Language Changes

1. The Cooperative Research Act was changed to the Special Projects Act by Section 402 of the Education Amendments of 1974 (Public Law 93-380).

2. Within the Education Amendments of 1974 there are many specific authorizations to conduct studies, fund advisory councils, and establish information clearinghouses. For purposes of simplicity, the entire Act is cited. Individual authorizations are cited in the justifications.

Salaries and Expenses

Amounts Available for Obligation[1]

	1975 Revised	1976
Appropriation	$114,400,000	$112,525,000
Proposed supplemental appropriation	2,345,000	---
Subtotal, adjusted appropriation	116,745,000	112,525,000
Real transfer to:		
DHEW, Office of the Secretary for General Counsel	-50,000	
Comparable transfers to:		
Assistant Secretary for Education: National Center for Educational Statistics	-13,792,000	
Policy Research Centers	-475,000	
"Innovative and Experimental Programs"	-1,900,000	
DHEW, Office of the Secretary, for Public Affairs Management	-9,000	
Comparable transfer from:		
Department of Labor "Program Administration" for Comprehensive Employment and Training Activities	+110,000	
Total, Obligations	100,629,000	112,525,000

1/ Excludes the following amounts for reimbursable activities carried out by this account: 1975-$300,000; 1976-$400,000.

Summary of Changes

1975 Estimated obligations	
Less: Proposed rescission	$98,284,000
Plus: Proposed supplemental	---
1975 Revised obligations	
1976 Estimated obligations	100,629,000
Net change	112,525,000
	+ 11,896,000

	1975 Base		Change from Base	
	Pos.	Amount	Pos.	Amount
Increases:				
A. **Built-in:**				
1. Annualization costs of fiscal year 1975 authorized positions	---	$52,516,000	---	$+2,614,000
2. Annualization costs for advisory committee activities funded for only part of fiscal year 1975	---	1,410,000	---	+334,000
3. Annualization of fiscal year 1975 pay raise	---	1,863,000	---	+891,000
4. Increases for standard level user charges (rent) and services provided by other Government agencies	---	8,219,000	---	+1,427,000
5. One extra paid day in fiscal year 1976	---	---	---	+216,000
Subtotal			---	+5,482,000
B. **Program:**				
1. Cost to support 167 new positions	---	---	+167	+2,100,000
2. Increased consultant requirements	---	241,000	---	+84,000
3. Increased training requirements	---	702,000	---	+839,000
4. Increased printing requirements	---	1,492,000	---	+502,000
5. Increased ADP costs	---	9,060,000	---	+1,940,000
6. Continuation costs of ongoing planning and evaluation studies	---	3,220,000	---	+2,930,000
7. Increased statutory responsibilities and activities for advisory committees	---	---	---	+297,000
8. Move from plan to operational phase of information clearinghouses	---	150,000	---	+150,000
9. New planning and evaluation studies	---	---	---	+2,850,000
Subtotal			+167	+11,692,000
Total increases			+167	+17,174,000

	1975 Base		Change from Base	
	Pos.	Amount	[illegible].	Amount
Decreases:				
A. Built-in:				
1. Completion of mandated studies funded in program administration................	—	$1,343,000	—	-1,343,000
B. Program:				
1. Decrease in requirements for overtime........................	—	524,000	—	-43,000
2. Decrease in transportation of things........................	—	188,000	—	-42,000
3. Decreased requirements for field readers..................	—	1,232,000	—	-104,000
4. Decrease in contractual services........................	—	3,098,000	—	-312,000
5. Planning and evaluation studies not continued..........	—	3,163,000	—	-3,163,000
6. Discontinuance of two advisory committees............	—	271,000	—	-271,000
Subtotal...	—	—	—	-3,935,000
Total decreases...........			—	-5,278,000
Total, decreases.........	—	—	—	-5,278,000
Total, net change.................	—	—	+167	+11,896,000

Explanation of Changes

Built-in increases:

1. An increase of $2,614,000 is required to provide for full-year costs for authorized positions filled for only part of fiscal year 1975.

2. The Education Amendments of 1974 required funding of several new advisory committees in fiscal year 1975, for which funds are provided for start-up costs through a proposed reprogramming. A total increase of $334,000 is required to provide for full-year funding of these advisory committeees in fiscal year 1976.

3. An increase of $891,000 is required for fiscal year 1976 to annualize the fiscal year 1975 mandated payraise, which was in effect for only 186 paid days in fiscal year 1975.

4. An increase is required to fund increases in rates charged by General Services Administration for rental of space and for services provided by other government agencies.

5. In fiscal year 1976 there are 262 paid days, one more than in fiscal year 1975.

Program increases:

1. A total of $2,100,000 is requested for salaries, benefits, and other related costs to support 167 new positions requested for fiscal year 1976.

2. An increase of $84,000 is requested to support consultant fees and related benefits needed to provide expert assistance in developing and implementing programs for which legislation is proposed and in establishing operational procedures to implement consolidations provided for in the Education Amendments of 1974.

3. An increase of $839,000 is requested to provide for a major training program for supervisory, managerial, and executive development, and for an expanded professional development program.

4. An increase of $502,000 over last year's level is requested for printing requirements, primarily for those associated with the operation of the Guaranteed Student Loan Program.

5. A $1,940,000 increase is requested for expanded automated data processing (ADP) activities that will include developing a management information system for the Commissioner of Education and a new computer system for the Guaranteed Student Loan Program.

6. Continuation costs of 13 major planning and evaluation studies increased by $2,930,000. Seven of these are mandated by the Education Amendments of 1974.

7. An increase of $297,000 is requested to support increased statutory responsibilities and requirements for advisory committees funded in this account.

8. The cost of operating the three information clearinghouses implemented late in fiscal year 1975 will be $300,000, an increase of $150,000.

9. The $2,850,000 increase will provide for nine new evaluation studies and 11 new planning studies.

Built-in decreases:

1. A decrease of $1,343,000 has been incorporated into the fiscal year 1976 estimate for program administration to reflect the completion of one-time special studies mandated by the Education Amendments of 1974.

Program decreases:

1. The fiscal year 1976 estimate for overtime hours required incorporates a decrease of $42,000 below the fiscal year 1975 estimated level.

2. The fiscal year 1976 estimate incorporates a decrease of $42,000 for transportation of things.

3. A reduced estimate for compensating field readers of submitted proposals requires $104,000 less than the estimated fiscal year 1975 amount.

4. The estimated requirement for contractual services for fiscal year 1976 is $312,000 less than the 1975 estimate. These services include such items as conferences, management studies, and small, special service contracts, such as for stenotype services.

5. Twenty-eight planning and evaluation studies, costing $3,163,000, received their final support in fiscal year 1975

6. A decrease of $271,000 is required in fiscal year 1976 because support is not being requested for two advisory committees.

Obligations by Activity

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Program Administration	2,873	$89,600,000	2,873	$ 91,915,000	3,040	$100,684,000	+167	$+ 8,769,000
Planning and evaluation	---	6,383,000	---	6,383,000	---	9,000,000	---	2,617,000
General program Dissemination	---	500,000	---	500,000	---	500,000	---	---
Advisory committees	38	1,651,000	38	1,681,000	38	2,041,000	---	+360,000
Information clearing houses	---	150,000	---	150,000	---	300,000	---	+150,000
Total Obligations	2,911	98,284,000	2,911	100,629,000	3,078	112,525,000	+167	+11,896,000

Salaries and Expenses

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Total number of permanent positions..................	2,911	2,911	3,078	+167
Full-time equivalent of all other positions...........	240	240	220	-20
Average number of all employees.................	2,925	2,925	3,154	+229
Personnel compensation:				
Permanent positions........	47,332,000	49,464,000	54,094,000	+4,630,000
Positions other than permanent.................	2,635,000	2,635,000	2,714,000	+79,000
Other personnel compensation.............	481,000	481,000	442,000	-39,000
Subtotal, personnel compensation..........	50,448,000	52,580,000	57,250,000	+4,670,000
Personnel benefits..........	4,568,000	4,781,000	5,144,000	+363,000
Travel and transportation of persons................	3,106,000	3,106,000	3,261,000	+155,000
Transportation of things.....	188,000	188,000	146,000	-42,000
Rent, communications and utilities..................	10,136,000	10,136,000	11,631,000	+1,495,000
Printing and reproduction...	1,492,000	1,492,000	1,994,000	+502,000
Other services	20,340,000	20,340,000	21,794,000	+1,454,000
Project contracts.........	7,033,000	7,033,000	9,800,000	+2,767,000
Supplies and materials......	628,000	628,000	906,000	+278,000
Equipment....................	345,000	345,000	599,000	+254,000
Total obligations by object..................	98,284,000	100,629,000	112,525,000	+11,896,000

Significant Items in House and Senate

Appropriations Committee Reports

Item	Action taken or to be taken
1975 House Report General Program Dissemination	
1. The Committee is concerned about the possible duplication or overlap of dissemination activities carried out by both the Office of Education and the National Institute of Education.	1. This activity is primarily for film production and distribution and public service announcements regarding educational opportunities and where to obtain aid. The National Institute of Education disseminates results of educational research and development. Packaging and field testing, an activity transferred to "Innovative and Experimental Programs" in 1976, identifies and packages proved educational practices and disseminates them to school districts as an aid in duplicating the practices. Steps have been taken to assure that this activity does not duplicate any NIE effort.

Authorizing Legislation

Legislation	1976	
	Authorized	Appropriation request
General Education Provisions Act:		
Section 400(c) -- Administration..........	Indifinite	$100,648,000
Section 411 -- Program planning and evaluation..............................	$25,000,000	9,000,000
Section 422 -- Dissemination...............	Indifinite	500,000
Part D -- Advisory councils...............	Indefinite	2,041,000
Education Amendments of 1974:		
Section 105(a)(1) -- Bilingual Education Act, section 742(c)(3) -- Bilingual education clearinghouse..................	5,000,000	100,000
Section 405(f)(1) -- Community education programs..............................	Indefinite	100,000
Section 604 -- Section 309A of the Adult Education Act -- information clearinghouse on adult education................	Indefinite..	100,000

Salaries and Expenses

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$ 26,827,500	$ 24,752,500	24,977,500	$ 24,977,500
1967	38,068,184	35,565,184	30,280,184	32,430,184
1968	51,326,400	43,083,400	43,083,400	43,083,400
1969	63,250,112	49,745,112	45,871,112	50,292,112
1970	75,807,000	75,807,000	73,571,000	73,833,000
1971	95,848,000	94,263,000	87,573,000	87,573,000
1972	88,500,000	88,150,000	86,455,000	87,455,000
1973	94,599,000	94,599,000	91,376,000	92,431,000
1974	96,183,000	89,169,000	80,935,000	84,616,000
1975	107,127,000	104,801,000	99,938,000	100,629,000
1975 Proposed Supplemental	2,345,000			
1976	112,525,000			

Justification

Salaries and Expenses

	1975 Estimate	1975 Revised	1976	Increase or Decrease
1. Program administration	$89,600,000	$91,915,000	$100,684,000	$+ 8,769,000
2. Planning and evaluation	6,383,000	6,383,000	9,000,000	+ 2,617,000
3. General program dissemination	500,000	500,000	500,000	---
4. Advisory committees	1,651,000	1,681,000	2,041,000	+ 360,000
5. Information clearinghouses	150,000	150,000	300,000	+ 150,000
Total	$98,284,000	$100,629,000	$112,525,000	$+11,896,000
Positions:				
1. Program administration	2,873 2,873	2,873 2,873	3,040 3,040	+167 +167
2. Planning and evaluation	---	---	---	---
3. General program dissemination	---	---	---	---
4. Advisory committees	38	38	38	---
5. Information clearinghouses	---	---	---	---
Total positions	2,911	2,911	3,078	+167

General Statement

To continue support towards the Nation's goal of full educational opportunity, the 1976 education budget proposes over $6,000,000,000 to provide significant benefits for the disadvantaged, the handicapped, and the minorities. The scope of the Office's programs is evidenced by the wide variety of types of assistance. A few examples are: (1) special education for over 5.7 million disadvantaged children; (2) approximately 2 to 2.5 million college students will be aided in pursuing the career of their choice; (3) about 13 million youth and adults will be assisted in preparing for meaningful work opportunities in Federally-supported occupational and vocational programs; (4) over 50,000 handicapped school and preschool age children will be helped to reach their full potential; (5) about 120,000 Indian children and adults will receive additional educational services; (6) 200,000 students attending predominantly black colleges will have an opportunity to pursue an enriched post-secondary education program; (7) fellowships, institutes and other training programs will help raise the qualifications of teachers with substandard certificates and will benefit approximately 214,000 teachers.

But quantity alone does not reflect the full magnitude of the responsibilities for program administration. Through its professional staff, the Office of Education must maintain close working relationships with State departments of education, local school districts, colleges and universities, State higher education authorities, educational organizations and associations and financial institutions. It must assure that Federal funds are used as intended by Congress, and at the same time respect the local autonomy of education. Even though program funds have increased and their scope and emphasis have diversified, the salaries and expenses have remained at less than two percent of the total appropriation.

The organization of the Office of Education reflects the levels of education through six bureaus — Office of Management, Office of Planning, Bureau of School Systems, Bureau of Handicapped, Bureau of Occupational, Vocational, and Adult Education and Bureau of Post Secondary Education.

The fiscal year estimate for program administration represents an increase of $8,769,000 over the 1975 estimate of $91,915,000. The request will provide a total of 3,040 positions compared to 2,873 in 1975. These additional 167 positions are vitally needed to expand technical assistance and other field services to carry out the expansion in certain programs and new responsibilities assigned to the Office by the Education Amendments of 1974. This increase includes 117 for the Guaranteed Student Loan Program , 42 to carry out the Special Projects Act, and eight for the higher education Incentive Grants for State Scholarships program. Every effort will be made to utilize these funds and positions in the most efficient and effective means possible to discharge the Office's responsibilities of prudent program management and educational leadership.

Support is included to carry out a variety of evaluation and planning studies to test the effectiveness of some of our programs, and to improve the management of others. The 13 continuing studies include seven that were required in the education Amendments of 1974. Although the requested level for new studies is down forty percent from fiscal year 1975, it still provides for evaluation in such important areas as postsecondary education, education for the handicapped, Indian education, and the Teacher Corps.

Within the general program dissemination activity, funds requested will provide for publicizing expanding educational opportunities for women, advice on student financial aid programs other than basic opportunity grants, and information on the metric system. Advertising encouraging student interest in obtaining an education in a technical area, as opposed to liberal arts, will be continued.

An amount of $2,041,000 will provide operational support to the 13 continuing advisory committees. The increase of $360,000 over the 1975 level will provide full-year support for the three committees (career education, community education, and women's education) created in fiscal year 1975, and will support expanded responsibility of all committees. In addition to the 3,040 positions supported in program administration, this activity supports 38, the same as last year. These are all assigned to the five Presidentially-appointed committees.

	1975 Estimate		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
1. Program Administration..	2,873	$91,915,000	3,040	$100,684,000	+167	$+8,769,000

Narrative

To enable the Commissioner to carry out the purpose and duties of the Office of Education, Section 400(d) of the General Education Provisions Act authorizes funds for necessary salaries and expenses. The major duties of the Office are to assist States and local education agencies to develop their capacity to provide education services to aid in the establishment and maintenance of efficient school systems and otherwise promote the cause of education throughout the country.

The budget request for program administration for fiscal year 1976 represents an increase of 167 new positions and $8,679,000 over the fiscal year 1975 level. The increase in positions is made up of 117 positions to continue to strengthen the management of the Guaranteed Student Loan Program, 42 positions to carry out the provisions of the Special Projects Act, and 8 positions to administer the expanded Higher Education Incentive Grant for State Scholarships program. Additional manpower requirements to address other program priorities in the fiscal year 1976 request will be met through a proposed reallocation of authorized positions from activities proposed for termination or phase out.

The $8,769,000 net increase in program administration is made up of increases for built-in costs primarily to annualize fiscal year 1975 authorized positions filled only part of the year, costs that include salaries and related costs for 167 new positions, and automatic data processing costs primarily to continue improving management of the Guaranteed Student Loan program. Significant decreases result from the completion in fiscal year 1975 of studies mandated by the Education Amendments of 1974 and in contractual services.

In fiscal year 1975 the Office of Education began implementation of an agency-wide manpower utilization system to assist in establishing manpower resource needs by functional and program activity. Two special manpower analyses are included in this budget submission: (1) Special Analysis A provides an analysis of six functional or program activities within five of the major offices or bureaus in the Office of Education; and (2) Special Analysis B provides a manpower analysis for the Guaranteed Student Loan program. The Office of Education plans to implement this system in fiscal year 1976.

Summary of Positions

	1975 Estimate		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Office of the Commissioner..	187	$ 5,077,500	198	$ 6,577,000	+11	$+1,499,500
Regional Offices............	812	24,015,100	914	26,632,700	+102	+2,617,600
Office of Management........	677	25,794,900	692	29,432,900	+15	+3,638,000
Office of Planning..........	123	3,308,500	123	3,711,200	--	+402,700
Bureau of School Systems....	438	13,507,900	438	13,394,600	--	-113,300
Bureau of Education for the Handicapped...........	127	3,737,500	135	3,966,900	+8	+229,400
Bureau of Occupational and Adult Education...........	133	4,325,700	156	4,505,400	+23	+179,700
Bureau of Postsecondary Education.................	376	12,147,900	384	12,463,300	+8	+315,400
Total..................	2,873	91,915,000	3,040	100,684,000	+167	+8,769,000

The above summary of positions shows the distribution of permanent staff by major organizational unit for the Program Administration activity. A more detailed presentation of positions by budget activity and/or functional staff unit follows.

OFFICE OF THE COMMISSIONER

1975 Estimate Pos.	1975 Estimate Amount	1976 Estimate Pos.	1976 Estimate Amount	Increase or Decrease Pos.	Increase or Decrease Amount
187	$5,077,500	198	$6,577,000	+11	1,499,500

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Program direction and coordination......................	33	33	--
Innovative and Experimental Programs......	6	6	--
Career education...........	16	19	+ 3
Women's educational equity.	3	10	+ 7
Arts in education..........	2	3	+ 1
16 Point Spanish Speaking....	5	5	--
Black Concerns Staff.........	4	4	--
Equal Employment Opportunity.	7	7	--
Education personnel: Teacher corps...............	37	37	--
Elementary and Secondary Education: Right to Read..............	26	26	--
Public Affairs...............	48	48	--
Total.....................	187	198	+11

General Statement

A total of 198 positions are requested for the Office of the Commissioner, an increase of 11 positions over the fiscal year 1975 level. The Office of the Commissioner directs activities to enable the Commissioner to carry out responsibilities and authorities vested in him by law or by delegation as head of the Office of Education. The Office of Education is the primary agency of the Federal Government responsible for the administration of programs of financial assistance to educational agencies, institutions, and organizations. In addition to directly managing several special programs designed to meet unique educational needs and to place special emphasis on national education priorities, this office also coordinates the function of the Regional Offices.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Special Projects	6	6	- -

In fiscal year 1976 nine innovative and experimental programs mandated by the Special Projects Act (P.L. 93-380) will be coordinated by this office. These projects are designed to support experiments with new educational and administrative methods and techniques, and to meet special educational needs and problems. Three of these programs will be administered directly in the Office of the Commissioner: Career education, Women's educational equity, and Arts in education. The eleven new positions requested are all for these Special Projects.

The objectives of each of these special projects are so closely related that the following statement of objectives is applicable to each one.

Objectives:

- Complete and disseminate guidelines, regulations, and administrative policies
- Establish an approved organizational structure, and employ qualified personnel
- Provide technical assistance to agencies concerned with the various special areas of consideration.
- Support projects through grants and contracts to accomplish the purposes of the legislation
- Monitor activities authorized by the various concerns to ensure proper utilization of project funds.
- Collect and analyze information to perform evaluations and support major reports in each area.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Career Education	16	19	+3

Career Education -- This program will develop information about the needs for career education of all children, assist some State and local education agencies develop plans for implementing career education, provide for the training and retraining of persons conducting career education programs, promote a national dialogue on career education and demonstrate the best of current career education programs and practices.

The increase in positions reflects the fact that project planning and monitoring will cover two years of activities. Fiscal year 1975 was the first year of this program.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation.....................	$ 10,000,000	$ 10,135,000	$ +135,000
Number of applications to be processed.....................	115	160	+45
Number of awards to be made.......	108	148	+40
Major program reports............	--	1	+1
No. awards monitored.............	108	256	+148

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Women's Educational Equity	3	10	+7

Women's Educational Equity - Grants and contracts to provide educational equity for women at all levels of education through the improvement and expansion of special and innovative programs. Workshops will be conducted to provide technical assistance on compliance with Title IX (P.L. 92-318) and to develop training modules for the elimination of sex stereotyping in education. The workload associated with the new program will require 7 new positions for program planning and operation.

Program Data:

Appropriation......................	$ ---	$ 6,270,000	$ +6,270,000
Number of awards for modules on elimination of sex stereotyping.	---	6-9	+6-9
Number of awards for technical assistance materials for national and regional workships on compliance with Title IX (P.L. 92-318)....................	---	10-12	+10-12
Number of awards for training projects.........................	---	15-22	+15-22
Number of awards for survey, evaluation, and dissemination...	---	1	+1
Number of small grants to support innovative approaches to the provision of educational equity...........................	---	15-20	+15-20

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Arts in Education	2	3	+1

Arts in Education - Grants and contracts will be awarded to encourage and assist State and local education agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school programs. This program involves coordination with efforts of other activities already established, particularly the programs and arrangements made through or with the John F. Kennedy Center for the Performing Arts.

The increase in funds requested will aid in the support of an estimated two new contracts to assist State or local educational agencies in developing and executing comprehensive plans for arts education. One additional position is requested for this activity in fiscal year 1976.

Program Data:

Appropriation......................	$ 500,000	$ 750,000	$ +250,000
Number of awards to Kennedy Center..........................	2	2	--
Number of Awards to State and local educational agencies......	38	40	+2

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Spanish Programs	5	5	--

The Sixteen Point Spanish Speaking Program is concerned with developing information and designing ways of informing Hispanic Americans of educational opportunities. This staff also provides technical assistance to private enterprises in their efforts to develop materials relevant to the education of Spanish-speaking children. Also they serve a liaison function between State and local educational agencies and the Office of Education.

Program Data:

Responses to inquiries from visitors..........................	500	500	--
Meetings attended outside of the Office of Education.............	12	12	--
Meetings attended within the Office of Education.............	30	30	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Black Concerns	4	4	--

The Black Concerns Staff serves as a liaison between the Office of Education and the Black community. This staff focuses its concern on accelerating desegregation and promoting recognition and awareness of African-American programs and events.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Equal Employment	7	7	--

The Equal Employment Opportunity Office was established to safeguard the rights of employees, and to serve as a center to which an employee could turn for information. This Office takes responsibility for hearing the grievances of employees, and ensuring that appropriate steps are taken in these actions.

Program Data:

Number of persons counseled..........	90	150	+ 60
Number of inquiries..................	200	200	---

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Teacher Corps	37	37	--

The activities of the Teacher Corps are directed toward improving educational opportunities for children of low-income families by improving the quality of programs of teacher education for both certified teachers and inexperienced teacher interns. In 1976, projects will emphasize training and retraining for personnel within a cooperating school.

A special manpower analysis has been performed for this activity and is attached as part of Special Analysis A.

Objectives:

- Incorporate the various aspects of the new legislation in revised project formats.
- Initiate programs that will emphasize the integregation of preservice and inservice training programs.

- Disseminate information on practices proven useful in these unique school settings.

- Develop training projects to improve the management and planning capabilities of school principals.

Program Data:

Appropriation........................	$ 37,500,000	$ 37,500,000	$ ---
Number of new applications processed........................	251	322	[illegible]
Number of awards to be made.........	380	387	+7
Number of site visits to be made...	275	387	+112
Number of projects closed out......	107	153	+46

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Right to Read	26	26	--

The purpose of the Right to Read program is to provide facilitating services and resources to stimulate educational institutions, governmental agencies, and private organizations to improve and expand their activities related to reading.

A special manpower analysis has been performed for this activity and is attached as part of Special Analysis A. No new positions are requested for fiscal year 1976.

Objectives:

- Initiate new activities required by the Education Amendments of 1974

- Develop innovative approaches to teaching reading

- Develop an adult literacy television program

- Encourage the improvement and expansion of activities related to reading in all organizations and institutions

- Phase out 1975 activities not authorized by the Education Amendments of 1974

Program Data:

Appropriation........................	$ 12,000,000	$ 12,000,000	$ ---
Number of applications processed...	297	310	+13
Number of awards to be made.........	207	114	-93
Number of site visits to be made...	150	175	+25
Number of Major Porgram Reports....	--	1	+1

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Public Affairs	48	48	--

Public affairs activities include the development and direction of a comprehensive public information system. This program involves a variety of editorial services and the dissemination of news and publications of interest to the education community.

Other supportive services including advice, clearance, and monitoring assistance are provided for all pahses of audiovisual production and general public affairs activity. Responsibility for responding to requests made under the Freedom of Information Act, as well as overseeing all productions within the Office of Education are under this activity. Additionally, under general program dissemination the results of educational demonstrations are made available to the general public and the educational community to promote improvements in the educational process.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation	$ 500,000	$ 500,000	$ ---
Freedom of Information Requests Processed	20	20	---
News Releases & Fact Sheets to be Prepared	165	173	+8
Correspondence & News Media Inquiries to be answered	3,150	3,150	---
Speeches and Messages to be Written	272	332	+60
Publications to be Prepared	65	70	+5
Contracts to be Monitored	59	70	+11
Draft Presidential Messages	1	2	+1

REGIONAL OFFICES

1975 Estimate		1976 Estimate		Increase or Decrease	
Pos.	Amount	Pos.	Amount	Pos.	Amount
812	$24,015,000	914	$26,632,700	+102	+$2,617,600

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Regional Commissioner's Office	137	137	--
Immediate Office	56	56	--
Contracts and Grants, and Financial Management	46	46	--
General Administration	35	35	--
School Systems	204	204	--
Director's Office	26	26	--
Grants for Disadvantaged	12	12	--
School Assistance to Federally Affected Areas	36	36	--
Emergency School Assistance--Special Projects and Programs	82	82	--
Emergency School Assistance--Training and Advisory Services	34	34	--
Dropout Prevention	3	3	--
Library Programs	11	11	--
Postsecondary Education	122	122	--
Director's Office	21	21	--
Construction Programs	19	19	--
Student Financial Aid Programs	44	44	--
Special Programs for the Disadvantaged	31	31	--
Veterans Cost of Instruction	7	7	--
Guaranteed Student Loans	265	367	+102
Occupational and Adult Education	84	84	--
Director's Office	22	22	--
Grants to States for Vocational Education	24	24	--
Vocational Research	11	11	--
Adult Education	11	11	--
Occupational and Adult Education (cont'd.)			
Education Personnel Development Programs	16	16	--
Total	812	914	+102

General Statement

The ten regional offices are responsible for administering various functions of programs grouped under four organizational units: School Systems, Postsecondary Education, Occupational and Adult Education, and Guaranteed Student Loans. The responsibilities associated with the overall management and direction of each regional office is within the immediate Office of the Regional Commissioner.

Many of the programs under the School Systems organization, such as Emergency School Assistance, Civil Rights and School Assistance to Federally Affected Areas have requirements to provide services that would be difficult for headquarters to administer adequately. These services include technical assistance, training, liaison and monitoring activity with State and local educational agencies.

Several programs in the area of student financial assistance fall under the Postsecondary Education office. The regional offices are primarily responsible for reviewing applications and conducting site visits for the financial aid program.

The staff associated with Occupational and Adult Education provides technical assistance for vocational and technical education, occupational education, adult education, education professions development, and the Comprehensive Employment and Training Act. Additionally, they coordinate developments in the Washington office that are relevant to the administration of this program in the regional offices.

The Guaranteed Student Loan offices in the regions are responsible for the direction and management of the entire program in each region. They must also ensure program compliance of participating institutions, and enforce collection of outstanding accounts. All 102 additional positions requested for fiscal year 1976 are to support a continued strengthening of the Guaranteed Student Loan Program. This requested increase will strengthen both program compliance and collection functions in the Regional Offices. Following the justification for Program Administration, as Special Analysis B, is an in-depth analysis of the administrative requirements to support the Guaranteed Student Loan Program for both Headquarters and the Regional offices.

OFFICE OF MANAGEMENT

1975 Estimate		1976 Estimate		Increase or Decrease	
Pos.	Amount	Pos.	Amount	Pos.	Amount
677	$25,794,900	692	$29,432,900	+15	$3,638,000

Program Activities	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Office Direction and Coordination.	74	74	--
Administrative Services............	89	89	--
Financial Support Services.........	88	88	--
Grant and Procurement Administration.............................	116	116	--
Management Systems and Analysis...	102	102	--
Personnel and Training............	49	49	--
Office of Guaranteed Student Loans	159	174	+15
Total........................	677	692	+15

General Statement

The Office of Management plans, directs, and coordinates all activities in the areas of finance, contracts and grants, personnel, general administrative services, management evaluation and administrative budgeting. Its responsibilities include provision of administrative support to the agency and development, maintenance, and presentation to the Commissioner and program managers of timely and accurate information concerning the status of available administrative resources to aid them in making management decisions. In addition to these overall management and coordinating functions, the Office of Management also has functional responsibility for operating the Guaranteed Student Loan Program. A total of 692 positions are requested for the Office of Management, an increase of 15 positions over the fiscal year 1975 level. All new positions are requested to continue to strengthen the operation of the Guaranteed Student Loan Program.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Office Direction and Coordination.	74	74	--

In addition to overall direction and coordination activities the immediate office staff manages specific functions that include coordination and management for Presidentially appointed advisory committees, regulations control, and the Commissioner's correspondence. Specific management objectives of the Office of Management for fiscal year 1976 include:

- Strengthening Office of Education's capacity to provide post-award administration of contract and grant awards.

- Continue to strengthen the administration of the Guaranteed Student Loan program.

- Achieving full implementation of new Department of Health, Education and Welfare finance and accounting systems.

- Achieving full conversion to Department of Health, Education and Welfare automated personnel management system.

- Increasing efforts related to management evaluation especially manpower utilization.

- Strenghtening Office of Education's automatic data processing capacity to achieve more effective management of the agency.

- Achieving more effective management of grant procurement management function through more detailed scheduling of award activities and more timely processing of grant applications.

- Strengthening effectiveness of personnel classification function.

- Providing management support necessary to the implementation of the Education Amendments of 1974 (P.L. 93-380).

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase Decrease
Administrative Services........	89	89	--

The administrative services provided include mail processing, procurement, office space planning, equipment purchasing and maintenance, printing, travel processing, and agent cashier.

Management Objectives:

- Increase level and effectiveness of mail handling in the Office of Education.

- Achieve and maintain more effective property management throughout the Office of Education.

- Provide travel services on a more timely basis and with a greater degree of management control.

- Improve service to the public, the Congress and to education institutions by expanding and increasing the effectiveness of information material processing.

Workload Data:

	FY 75	FY 76	Increase Decrease
Pieces of incoming mail processed.	5,000,000	5,500,000	+500,000
Printing requests processed.......	620	650	+ 130
Property requisitions processed...	3,950	4,306	+ 356
Cash disbursements made...........	11,600	11,600	--
Travel orders processed...........	6,000	6,000	--
Information materials issued......	87,500	90,000	+ 2,500

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Financial Support Services.......	88	88	--

The financial support services within the Office of Management include planning, developing, and executing an integrated system of financial policy, procedure, and standards for operations; operating a central system of transaction accounting, reporting, and certification of the availability of funds.

Management Objectives:

- Update and improve current financial policies and strengthen policy planning capabilities.

- Achieve full implementation of new department-wide finance systems.

- Increase effectiveness of program voucher processing.

- Provide increased level of financial service necessary to implementation of the Education Amendments of 1974.

- Perform additional finance, accounting and reporting functions as required by the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344).

Workload Data:

	FY 1975	FY 1976	Increase Decrease
Obligations processed............	79,000	80,250	+ 1,250
Error corrected..................	705,023	584,427	- 20,596
Funding documents prepared.......	7,000	7,280	+ 280
Administrative vouchers processed	55,500	60,000	+ 4,500
Disbursement vouchers processed..	180,095	132,000	- 48,095
Letters of credit processed......	3,600	1,800	+ 1,800
Collections processed............	69,500	81,052	+ 11,552
Systems production requests processed......................	2,700	3,000	+ 300

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grant and Procurement Administration	116	116	--

The grant and procurement administration functions within the Office of Management include establishing contract management policy and procedure and directing the negotiation and administration of contracts and discretionary grants awarded by all components of the Office of Education. Also they are responsible for overseeing the proper utilization of government property held by contractors and grantees.

Management Objectives:

- Provide grant and procurement management services necessary to the effective implementation of the Education Amendments of 1974.

- Strengthen post-award contract and grant administration.

Workload Data:

	FY 1975	FY 1976	Increase Decrease
Contracts negotiated and/or modified..........................	3,847	4,000	+ 153
Grants negotiated................	10,094	10,497	+ 403
Grant revisions made.............	7,210	7,210	--
Grant close-outs made............	10,000	10,000	--
Property counts made.............	1,000	1,000	--
Program schedules produced.......	120	120	--
Applications processed...........	25,000	26,000	+1,000
Cost & Price reports issued......	97	100	+ 3

A special manpower analysis has been performed for this activity and is attached as part of special analysis A.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Management Systems & Analysis....	102	102	--

The management systems and analysis function includes developing policies, plans, and goals for organizational structure, management systems and manpower allocation and utilization; conducting management studies and manpower analysis; coordinating the developing of management information systems and data processing systems; evaluating and reporting on the overall effectiveness of Office of Education organization and management; providing ADP systems analysis and programming services; monitoring contracts providing computer programming support; and maintaining liaison with the Data Management Center on computer operations and services. Other major functions are formulating and executing the administrative budget of the Office of Education, executing the delegations of authority, ensuring correspondence and records management, and coordinating all audits of Office of Education programs.

Management Objectives:

- Provide increased support to Office of Education data system.

- Implement and maintain work measurement manpower system.

- Increase quality and frequency of management manpower reviews.

Workload Data:

	FY 1975	FY 1976	Increase Decrease
Management/manpower reviews	11	15	+ 4
Management procedures published	3	5	+ 2
Suggestions reviewed	35	35	--
Chapters in standards manual published	5	5	--
Computer jobs monitored	96,000	108,000	+12,000
Systems Engineering Service projects completed	12	16	+ 4
Quick Response Programming requests received	168	192	+ 24
Vendor file addition and correspondence handled	9,360	9,360	--
Systems analysis/programming project maintained	150	150	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Personnel and Training	49	49	--

The personnel and training function within the Office of Management includes providing personnel management policy and procedures and interpretation of Civil Service Commission and departmental personnel standards for all elements of the Office of Education. Services rendered include: position classification; employment and placement screening and referral; employee relations and services; labor management relations; personnel action processing and records maintenance; and employee development and training.

Management Objectives:

- Increase effectiveness of position classification activities.

- Implement Department of Health, Education and Welfare automated personnel management system.

- Strengthen labor-management function to meet legal and administrative procedural requirements.

Workload Data:

	FY 1975	FY 1976	Increase Decrease
Personnel actions processed	4,000	4,000	--
Complaint grievances evaluated	750	750	--
Training actions processed	1,500	1,700	+200
Applicants screened/placed/interviewed for special training	1,700	1,800	+100
New positions classified	500	1,000	+500
Vacancy announcements issued	300	325	+ 25

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Office of Guaranteed Student Loans	159	174	+15

The Office of Guaranteed Student Loans plans, directs and evaluates all administrative activities associated with the operation and management of a program of low interest long-term insured loans for college and vocational students under which loans made by commercial and other lenders are insured (or reinsured) by the Federal Government and insured by State and nonprofit private agencies. Provides for payments to reduce interest costs to student borrowers and payments of special incentive allowances to lenders including payment of claims on insured loans. The central office staff provides specific direction and coordination activities in the area of field support, program development and operational support.

Management Objectives:

- Improve collections of defaulted loans to minimize the loss to the Federal Government.

- Revise and publish stringent program regulations.

- Issue up-dated program manuals for lenders and eligible institutions.

- Design a sophisticated and improved computer system to assure financial accountability, a quality data base and sound long-range management and administration of the program.

Workload Data:

A special manpower analysis has been performed for this activity and is attached as part of special analysis B.

OFFICE OF PLANNING

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Immediate Office.................	8	8	---
Legislative Affairs..............	20	20	---
Evaluation.......................	62	62	---
Planning and Budget Activities...	33	33	---
Total.................	123	123	---

General Statement

To efficiently plan, direct, coordinate and evaluate Office of Education programs at the agency level, we are requesting 123 positions.

The activities necessary to support planning and evaluation studies of programs administered by the Office of Education are the responsibility of this office. The staff also coordinates liaison activities with the Office of the Secretary and the Office of Management and Budget for planning, budgeting and operational systems. This office handles matters relating to appropriation requests and the appropriation committees of Congress. All matters concerned with proposed new authorizing legislation or amendments to existing laws, the coordination and monitoring of policy developments throughout the Office of Education are also handled by this office.

Objectives:

- Conduct studies to identify educational problems and issues.
- Develop alternative solutions to problems in education, including legislative and budget recommendations.
- Assess the impact and effectiveness of Federal education programs.
- Conduct such studies as are required by the Congress.
- Provide the basis of the annual report to Congress on the effectiveness of Office of Education administered programs.
- Develop, submit and defend annual budget to the Department of Health, Education, and Welfare, Office of Management and Budget and the Congress.
- Develop, submit and defend legislative proposals, new amendments and new authorizations.
- Coordinate agency-wide policy development and implementation systems.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Legislative Affairs	20	20	---

The legislative affairs staff plans and prepares the necessary reports and specifications for new legislation. In addition, they provide information on the status and content of legislation affecting education to organizations and individuals interested in the improvement of education, and coordinate Congressional correspondence and other Congressional communication.

Objectives:

- Respond effectively to Congressional inquiries.
- Increase the efficiency of the legislative information system.
- Prepare prompt and informative responses to public inquiries.
- Prepare legislative proposals.
- Prepare, review testimony and testify before the Congress.
- Review all educational legislation introduced.

Program Data:	1975 Estimate	1976 Estimate	Increase or Decrease
Congressional mail	6,147	8,000	+ 1,857
Telephone inquiries	1,243	1,500	+ 257
New legislation review	75	100	+ 25
Education legislation submitted	6	6	---
Number of times testified	20	30	+ 10

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Evaluation	62	62	---

Grants are awarded to and contracts are made with public and private organizations for planning and evaluation studies of programs administered through the Office of Education. In 1975 eight of the studies mandated by Public Law 93-380 were initiated.

All evaluation activities including the annual evaluation plan, the design and monitoring of evaluation studies, and the development of policy recommendations resulting from such studies are the responsibility of this office.

The packaging and installation of effective educational approaches and products program is also their responsibility. The purpose of this program is to accelerate the replication of successful educational practices and products growing out of projects funded by the Office of Education. Promising projects are subjected to rigorous validation of their educational effectiveness. For those which are shown to be successful, detailed how-to-do-it project information packages (PIPs) are developed to serve as a basis for replication. The PIPs are then field-tested in schools and, if they result in successful replication, are made available for widespread implementation.

Objectives:

- Continue 43 education evaluation studies.
- Initiate 21 new planning and evaluation studies.
- Defend policy memoranda with the Department of Health, Education, and Welfare and the Office of Management and Budget.
- Issue requests for proposals for new evaluation and planning studies.
- Monitor continuing studies for performance and content of specifications.
- Produce annual evaluation report
- Prepare and disseminate policy implication memoranda.
- Prepare and disseminate executive summaries.

Program Data:	1975 Estimate	1976 Estimate	Increase or Decrease
Issue request for proposals	23	21	- 2
Monitor continuing studies	46	43	- 3
Issue policy implication memoranda	5	10	+ 5
Issue annual reports	1	1	---
Executive summaries completed	20	25	+ 5
PIPs being developed	12	---	- 12
PIPs being field-tested	6	12	+ 6
PIPs being implemented	---	6	+ 6

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Planning and Budgeting Activities	33	33	---

The planning and budget staff direct the development and monitoring of the annual cycle of the Office of Education planning events and directs the formulation and execution of the program budget in conformity with the plan. Prepares policy decision papers based on five year plan and results of relevant evaluation studies. Provides liaison between the agencies involved with the preparation of appropriations. Included in this responsibility is the preparation of justifications and testimony for appropriation requests.

The staff is also responsible for receipt of all funds received by transfer or direct appropriation, as well as the establishment of safeguards to prevent violations of the anti-deficiency regulations. Additionally, this office issues all the administrative distributions of funds, and reveiws proposed legislation for budgetary implications.

Estensive overtime is required to meet the time schedules and workload requirements of the Office, Department of Health, Education, and Welfare, the Office of Management and Budget, and the Congress.

Objectives:

- Develop five year plan.
- Prepare policy papers
- Issue and implement policy decisions.
- Prepare budget justification and testimony.
- Insure orderly allocation of funds.
- Refine safeguards to prevent anti-deficiency violations.

Program Data:	1975 Estimate	1976 Estimate	Increase or Decrease
Budget justifications developed	45	45	---
Allotments and limitations issued	2,132	2,366	+ 234
Programming actions reviewed	300	325	+ 25
Proposed legislation reviewed	75	100	+ 25
Outlay analyses completed	300	300	---
Expenditure control reports issued	135	135	---
Congressional inquiries answered	409	450	+ 41
Policy papers issued	41	45	+ 4
Long range plans	1	1	---
Public inquiries (mail and telephone)	321	350	+ 29
Transcripts edited	28	32	+ 4
Testimony provided	56	60	+ 4
Other reports (Press releases, State tables, etc.)	400	450	+ 50

Bureau of School Systems

1975 Estimate Pos.	1975 Estimate Amount	1976 Estimate Pos.	1976 Estimate Amount	Increase or Decrease Pos.	Increase or Decrease Amount
438	$13,507,900	438	$13,394,600	--	$ -113,300

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Program Activities:			
Grants for Disadvantaged	71	71	--
Support and Innovation Grants:			
(1) Consolidation Program	--	57	+57
(2) Strengthening State Departments of Education	25	--	-25
(3) Supplementary Services	29	--	-29
(4) Nutrition and Health	3	--	-3
(5) Dropout Prevention	--	--	--
Bilingual Education	50	50	--
Follow Through	25	25	--
Educational Broadcasting Facilities	12	12	--
Drug Abuse Education	7	7	--
Environmental Education	7	7	--
School Assistance in Federally Affected Areas:			
Maintenance and operation	39	39	--
Construction	7	7	--
Emergency School Aid:			
Special Programs and Projects	33	33	--
Training and Advisory Services	17	17	--
Packaging and Field Testing	10	10	--
Educational TV Programming	5	5	--
Public Libraries	11	5	-6
Libraries and Instructional Resources:			
(1) Consolidated Program	--	7	+7
(2) School Library Resources	6	--	-6
(3) Equipment and Minor Remodeling	1	--	-1
(4) Guidance and Counseling	--	--	--
Undergraduate Instructional Equipment	1	1	--
Interlibrary Cooperation and Demonstration	--	6	+6
Program Phase Out Activities	8	8	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Program Activities: (cont'd)			
Program Direction and Coordination.......	71	71	--
Total...............................	438	438	--

General Statement

A total of 438 positions are requested for administering the activities associated with the Bureau of School Systems in fiscal year 1976, the same level as fiscal year 1975. Although no new positions are requested, a redistribution of authorized positions is proposed to address new priorities.

The Bureau of School Systems formulates policy for, directs, coordinates the activities of, and administers various programs of the Office of Education for the improvement of elementary and secondary education and libraries. Support is provided to State and local educational agencies, State library agencies, colleges and universities, public and private organizations through formula grants, discretionary grants, and contracts.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants for Disadvantaged	71	71	--

Grants are made to State educational agencies to help improve educational programs in order to meet the special needs of educationally deprived children, handicapped, neglected, delinquent, and migrant children.

Program Data:

Appropriation.......................	$1,876,000,000	$1,900,000,000	$ +24,000,000
Awards to be made..................	265	131	-134
Monitoring site visits to be made (SEA's and LEA's)................	979	1,001	+22
Number of State Program Reviews....	90	101	+11

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Support and Innovation Grants:			
Consolidation Program............	--	57	+57
Strengthening State Departments of Education....................	25	--	-25
Supplementary Services...........	29	--	-29
Nutrition and Health.............	3	--	-3
Dropout Prevention...............	--	--	--

The Education Amendments of 1974 authorized the consolidation of several categorical programs. The consolidation is scheduled to take place in two steps. In the first year, 1976, 50 percent of the funds remain available for each of the categorical purposes; the remaining 50 percent is to be used on a consolidated basis with State and local authorities making determination on the specific use of funds. From 1977 and beyond, all of the funds are to be used at the discretion of State and local authorities.

Positions associated with categorical programs in fiscal year 1975 would support partial consolidation in fiscal year 1976.

Program Data: Consolidation Program

Appropriation........................	$ ---	$ 86,444,000	$ +86,444,000
Number of Grant Awards made and monitored........................	---	57	+57

Program Data: Strengthening State Departments of Education

Appropriation........................	$ 29,569,000	$ 19,712,500	$ -9,856,500
Number of Grant Awards made........	224	56	-168
Number of State grants monitored...	56	56	--

	1975 Estimate	1976 Estimate	Increase or Decrease

Program Data: Strengthening State Departments of Education (cont'd)

	1975 Estimate	1976 Estimate	Increase or Decrease
Number of applications received (Sec. 505 - Discretionary Grants)........................	50	50	--
Number of Grant Awards made (Sec. 505 - Discretionary Grants)......	24	18	-6

Program Data: Supplementary Services

	1975 Estimate	1976 Estimate	Increase or Decrease
Appropriation........................	$ 101,170,000	$ 63,781,500	$ -37,388,500
Number of Grants awarded to States.	171	57	-114
Number of State grants monitored...	57	57	--
Number of Grant Awards made (Sec. 306 - Discretionary Grants)......	318	--	-318

Program Data: Nutrition and Health

	1975 Estimate	1976 Estimate	Increase or Decrease
Appropriation........................	$ 900,000	$ 950,000	$ +50,000
Number of applications received....	25	25	--
Number of Grant Awards made........	7	3	-4
Number of projects monitored.......	12	15	+3

Program Data: Dropout Prevention

	1975 Estimate	1976 Estimate	Increase or Decrease
Appropriation........................	$ ---	$ 2,000,000	$ +2,000,000
Number of applications received....	---	19	+19
Number of awards made..............	---	5	+5

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Bilingual Education	50	50	--

This staff administers the Bilingual Education Program, which makes grants to local educational agencies to enable them to develop and demonstrate elementary school programs to meet the educational needs of children of limited English-speaking ability, and to support training projects and materials development activities.

No new positions are requested for fiscal year 1976.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation	$ 70,000,000	$ 70,000,000	$ ---
Number of Awards made	393	319	-74
Number of projects supported	393	319	-74
Number of Fellowship/Traineeship Recipients	814	1,320	+506

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Follow Through	25	25	--

This program is an experimental, compensatory education program designed to develop and test new ways to educate disadvantaged children in the early primary grades (kindergarten through third grade).

A special manpower analysis has been performed for this activity and is attached as part of Special Analysis A.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation	$ 47,000,000	$ 41,500,000	$ -5,500,000
Number of applications received	220	220	--
Number of grants made	169	169	--
Number of monitoring site visits	90	128	+38

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Educational Broadcasting Facilities	12	12	--

This program provides matching grants for acquisition and installation of equipment to be used in noncommercial educational broadcasting stations to serve the educational, cultural, and informational needs of Americans in homes and schools.

Program Data:

Appropriation......................	$ 7,000,000	$ 7,000,000	$ ---
Number of applications reviewed...	210	210	---
Number of awards made.............	39	26	-13

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Drug Abuse Education	7	7	--

Although Drug Abuse Education has no program money associated with it in fiscal year 1975 and 1976, the positions associated with this activity are necessary to continue providing leadership to States, school districts, and communities through training to enable them to develop drug abuse prevention programs geared to their specific needs.

Program Data:

Appropriation......................	$ ---	$ ---	$ ---
Number of prior year awards to monitor..........................	601	---	-601
Number of prior year awards to close out........................	1,800	1,000	-800

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Environmental Education	7	7	--

This program provides grants to nonprofit agencies, institutions, or organizations for the support of environmental education pilot and demonstration projects. The goal of the program has been to stimulate non-Federal efforts rather than directly provide services on a large scale. Fiscal year 1975 is the last year of funding for this program. The positions in fiscal year 1976 will be needed to phase out the program.

Program Data:

Appropriation......................	$ 1,900,000	$ ---	$ -1,900,000
Number of applications received...	1,295	---	-1,295
Number of awards to be made.......	85	---	-85
Number of States receiving awards.	40	---	-40
Number of prior year awards to monitor..........................	110	85	-25
Number of prior year awards to close out........................	160	110	-50

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
School Assistance in Federally Affected Areas - Maintenance and Operations	39	39	--

The School Assistance in Federally Affected Areas program provides Federal assistance primarily to local school districts in which enrollments are affected by Federal activities.

Although the number of awards is decreasing in fiscal year 1976, the work involved in phasing out prior year accounts and developing operation for the new proposed legislation will require the same number of positions in fiscal year 1976 as in fiscal year 1975.

Program Data:

Appropriation......................	$ 636,016,000	$ 256,000,000	$ -380,016,000
Number of award to be made.........	13,200	2,700	-10,500
Number of school districts served.	4,400	900	-3,500
Number of major program reports...	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
School Assistance in Federally Affected Areas - Construction	7	7	--

An amount of $10,000,000 is being requested under the existing legislation to assist in the construction of schools in areas where enrollments are affected by Federal activities. In the past few years, an effort has been made to fund local agencies that have not been funded for several years, that have the most pressing needs, and that provide assistance for children residing on Indian lands.

Program Data:

Appropriation......................	$ 20,000,000	$ 10,000,000	$ -10,000,000
Number of projects supported......	14	15	+1
Number of classrooms constructed..	161	130	-31
Number of major program reports...	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Emergency School Aid - Special Programs and Projects	33	33	--

This activity assists local educational agencies and supporting public organizations in conducting activities which promise to make substantial progress toward achieving the purposes of the Emegency School Aid Act.

Special appropriation language is being requested to target desegregation assistance under the project grant authority. This will permit focusing Federal support in the areas with greatest needs. Grants will be made to both public and private nonprofit agencies.

Program Data:

Appropriation......................	$ 74,250,000	$ 74,250,000	$ ---
Number of applications received...	600	600	---
Number of awards to be made.......	240	240	---
Number of monitoring site visits..	480	480	---

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Emergency School Aid - Training and Advisory Services	17	17	--

This activity renders technical assistance in the preparation, adoption, and implementation of desegregation plans for public schools, and provides services and training for people to deal effectively with special educational problems occasioned by desegregation.

In both fiscal year 1975 and 1976, the program will stress capacity building at the State and local levels to address both desegregation and bilingual education problems.

Program Data:

Appropriation......................	$ 26,700,000	$ 26,700,000	$ ---
Number of applications to be processed......................	500	550	+50
Number of awards to be made.......	201	221	+20

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Packaging and Field Testing	10	10	--

This program identifies effective practices developed in Office of Education-supported programs, provides "packages" to facilitate their adoption and to make the packages available to school districts and State departments. An amount of $3,500,000 is being requested in fiscal year 1976.

Program Data:

Appropriation......................	$ 1,400,000	$ 3,500,000	$ +2,100,000
Number of new awards made..........	3	16	+13
Number of non-competing continuing awards made......................	--	2	+2

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Educational TV Programming	5	5	--

In fiscal year 1976, $7,000,000 is being requested to support the continued development, production, installation and utilization of innovative educational television programs for children. Support will be provided to continue the Children's Television Workshop--producers of Sesame Street and the Electric Company.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation......................	$ 7,000,000	$ 7,000,000	$ ---
Number of new awards supported.....	5-15	5-15	---
Number of non-competing continuing awards supported................	1	1	---

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Public Libraries	11	5	-6

Grants are made to States on a formula basis, with matching funds required. This program (1) promotes the extension and improvement of public library services in areas without such services or with inadequate services; (2) improves State library services for the physically handicapped, institutionalized, and disadvantaged persons; (3) strengthens State library administrative agencies; and (4) strengthens metropolitan libraries which serve as regional resource centers. The reduced funding in 1976 is a result of phasing out Federal support for this type of public library aid, while shifting Federal support to proposed new legislation.

The six positions associated with this program in fiscal year 1975 have been transferred to "Interlibrary Cooperation and Demonstration" (proposed legislation) in fiscal year 1976.

Program Data:			
Appropriation......................	$ 25,000,000	$ 10,000,000	$ -15,000,000
Coordination of grant awards made..	56	56	--
Number of State program reviews....	10	10	--
Number of monitoring site visits...	30	30	--
Number of major program reports....	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Libraries and Instructional Resources:			
Consolidated Program..............	--	7	+7
School Library Resources..........	6	--	-6
Equipment and Minor Remodeling....	1	--	-1
Guidance and Counseling...........	--	--	--

The Education Amendments of 1974 authorized the consolidation of several categorical support and innovative programs. The consolidation was authorized to take place in two steps. In the first year, 1976, 50 percent of the funds remain available for each of the specific categorical purposes; the remaining 50 percent to be used on a consolidated basis with State and local authorities making determinations on the specific use of funds. From 1977 and beyond, all funds are to be used at the discretion of State and local authorities.

• Positions associated with categorical programs in fiscal year 1975 would support partial consolidation in fiscal year 1976.

Program Data: Consolidated Program

Appropriation	$ ---	$ 68,665,000	$ +68,665,000
Number of grant awards made	---	57	+57
Number of State program reviews	---	10	+10
Number of monitoring site visits	---	50	+50
Number of major program reports	---	1	+1

Program Data: School Library Resources

Appropriation	$ 90,250,000	$ 45,951,951	$ -44,298,049
Number of grant awards made	57	57	--
Number of State program reviews	10	10	--
Number of monitoring site visits	19	19	--
Number of major program reports	1	1	--

Program Data: Equipment and Minor Remodeling

Appropriation	$ 21,750,000	$ 13,628,794	$ -8,121,206
Number of grant awards made	57	57	--
Number of State program reviews	10	10	--
Number of monitoring site visits	19	19	--
Number of major program reports	1	1	--

Program Data: Guidance and Counseling

Appropriation	$ 18,830,000	$ 9,084,255	$ -9,745,745
Number of grant awards made	56	56	--
Number of major program reports	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Undergraduate Instructional Equipment	1	1	--

This program awards grants to institutions of higher education to assist in the improvement of undergraduate programs through the purchase of instructional equipment and materials and through minor remodeling.

No funds are requested for this program in fiscal year 1976, however, one position is requested to monitor carry over activities.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data:			
Appropriation......................	$ 772,000	$ ---	$ -772,000
Number of applications received....	110	---	-110
Number of grants made..............	110	---	-110
Number of monitoring site visits...	13	---	-13
Number of major program reports....	1	---	-1
Number of prior year awards to be monitored......................	2,000	110	-1,890
Number of prior year awards to be closed out......................	1,000	2,000	+1,000

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Interlibrary Cooperation and Demonstrations (Proposed Legislation)	--	6	+6

This proposed Library Partnership Act would coalesce a number of library-related categorical programs into one legislative authority. It will provide a program of discretionary grants and contracts designed to encourage and support innovation in libraries through national demonstrations of improved methods of library and information services and the promotion of the development of cost-saving networks for the sharing of resources within communities and among local, State, and regional jurisdictions, with special emphasis on improvements which benefit handicapped, institutionalized, or economically disadvantaged groups.

The six positions in fiscal year 1976 necessary to support this proposed activity were transferred from "Public Libraries."

Program Data:

Appropriation......................	$ 15,000,000	$ 20,000,000	$ +5,000,000
Number of applications received....	300	320	+20
Number of Grants made..............	96	102	+6
Number of projects supported.......	96	102	+6
Number of monitoring site visits...	96	102	+6
Number of major program reports....	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Phase Out Activities:			
College Library Resources.........	3	3	--
Training and Demonstration........	5	5	--

There is no program money requested in either fiscal year 1975 or 1976 for these programs. The positions are necessary to complete program phase out.

	1975 Estimate	1976 Estimate	Increase or Decrease
Program Data: College Library Resources			
Appropriation......................	$ ---	$ ---	$ ---
Number of monitoring site visits...	3	3	---
Number of major program reports....	1	1	---
Program Data: Training and Demonstration			
Appropriation......................	$ ---	$ ---	$ ---
Number of monitoring site visits...	40	10	-30
Number of major program reports....	2	2	---

Bureau of Education for the Handicapped

1975 Estimate		1976 Estimate		Increase or Decrease	
Pos.	Amount	Pos.	Amount	Pos.	Amount
127	$3,737,500	135	$3,966,900	+8	+$ 229,000

Program Activities	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
State Assistance:			
State grant program........	22	22	--
Deaf-blind centers.........	4	4	--
Severely handicapped projects..	4	4	--
Innovation and development:			
Early childhood education......	10	10	--
Specific learning disabilities.	3	3	--
Regional vocational, adult and postsecondary programs........	1	1	--
Research and demonstration.....	13	13	--
Media and resource services:			
Media services and captioned films.........................	9	9	--
Regional resource centers......	9	9	--
Recruitment and information....	1	1	--
Special education manpower development......................	26	26	--
Innovative and experimental programs:			
Gifted and talented...........	--	8	+8
National Advisory Committee on the Handicapped..............	3	3	--
Program direction and coordination....................	22	22	--
	127	135	+8

General Statement

A total of 135 positions are requested for the Bureau of Education for the Handicapped, an increase of 8 positions over the fiscal year 1975 level. These programs relate to the education and training of, and services for the physically and mentally handicapped, including training of teachers of the handicapped and research in such education and training.

The Bureau of Education for the Handicapped establishes Federal education policies for education of handicapped children and coordinates the development and implementation of such policies with other agencies and institutions. It administers twelve different programs which include state grant programs, directs monies to deaf blind children and contracts and grants for research, media services, professional manpower preparation, early childhood education, learning disabilities, severely handicapped, regional resource centers and area learning resource programs. These programs require review of many proposals, monitoring of projects, preparation of summary reports and recommendations for advisory committees and technical assistance to those projects which are funded.

The Bureau works closely with the States in helping them to carry out their responsibilities toward the education of handicapped children. The Bureau has taken the role of using program funds and staff to act as a catalyst in developing the states' capacities to serve all children. Recent court orders and mandatory legislation in 48 of the 50 states has required the Bureau to act in close cooperation with States, providing technical assistance to them, monitoring discretionary and formula grants closely to provide the advocacy input necessary to carry out Office of Education's role. Responsibility for providing staff support to the National Advisory Committee on the Handicapped is included in the Bureau's activities.

Eight new positions are requested for fiscal year 1976.

A more detailed explanation of each program follows.

	1975 Estimate	1976 Estimate	Increase or Decrease
	No. of Pos.	No. of Pos.	No. of Pos.
State assistance:			
State grant programs			
	22	22	--

Grants are made to States to assist in the initiation, expansion, and improvement of programs and projects for education of handicapped children at the preschool, elementary, and secondary school levels.

No new positions are required for 1976.

Program Data:

Appropriation..............	$47,500,000	$50,000,000	+$2,500,000
Applications processed.....	108	108	--
Awards to be made..........	108	108	--
Site visits to be made....	275	350	+ 50
Major Program Reports.....	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
State assistance: Deaf-blind centers	4	4	--

Contracts are awarded to 10 regional centers to provide, through a series of sub-contracts, diagnostic, educational, and related services to deaf-blind children and their families.

No new positions are required for 1976.

Program Data:

Appropriation...............	$12,000,000	$16,000,000	+$ 4,000,000
Applications processed.....	10	20	+ 10
Awards to be made..........	10	10	--
Site visits to be made.....	60	60	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
State assistance: Severely handicapped projects	4	4	--

Contracts are awarded to establish and expand programs and practices to meet the educational and training needs of severely handicapped children and youth, including deinstitutionalization programs.

No new positions are required for 1976.

Program Data:

Appropriation...............	$ 2,826,000	$ 3,250,000	+$ 424,000
Applications processed......	120	13	- 107
Awards to be made...........	16	21	+ 5
Site visits to be made......	20	30	+ 10
Major Program Reports.......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Innovation and development: Early childhood education	10	10	--

Demonstrations are supported to provide educational, diagnostic, and consultative services for preschool handiaapped children and their parents. The projects are designed to stimulate and influence the development of additional services for pre-school handicapped children.

No new positions are required for 1976.

Program Data:

Appropriation..............	$13,330,000	$22,000,000	+$ 8,670,000
Applications processed.....	532	600	+ 68
Awards to be made..........	153	243	+ 90
Site visits to be made.....	200	220	+ 20
Major Program Reports......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Innovation and Development: Specific learning disabilities	3	3	3

Grants and contracts are awarded to stimulate State and local provision of identification, diagnostic, prescriptive and educational services for learning disabled children through the funding of model programs, technical assistance, research and training activities.

No new positions are required for 1976.

Program Data:

Appropriation..............	$ 3,250,000	$ 4,250,000	+$1,000,000
Applications processed.....	75	45	- 30
Awards to be made..........	31	35	+ 4
Site visits to be made.....	40	50	+ 10
Major Program Reports......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Innovation and development: Regional, vocational, adult and postsecondary programs	1	1	--

Contracts will be awarded to develop and operate regional centers for deaf and other handicapped persons in the area of vocational, technical, postsecondary or adult education, building on existing resources and facilities currently serving regional needs.

No new positions are required for 1976.

Program Data:

Appropriation..............	$ 575,000	$ 2,000,000	+$1,425,000
Applications processed.....	--	12	+ 12
Awards to be made..........	3	9	+ 6
Site visits to be made.....	0	18	+ 18
Major Program Reports......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Innovation and development: Research and demonstration	13	13	--

Grants and contracts are awarded for the development of new curricular materials, teaching techniques, and other research and demonstration projects, including those in the field of physical education and recreation research for handicapped children.

No new positions are required for 1976.

Program Data:

Appropriation...............	$9,341,000	$11,000,000	+$1,659,000
Applications processed.....	472	472	--
Awards to be made...........	100	110	+ 10
Site Visits to be made.....	195	210	+ 15

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Media and resource services: Media services and captioned films	9	9	--

Contracts and grants are made for the acquisition, captioning, production, and distribution of films and other educational media, and the training of persons in the use of such materials for the handicapped.

No new positions are required for 1976.

Program Data:

Appropriation..............	$13,000,000	$16,000,000	+$3,000,000
Applications processed.....	69	84	+ 15
Awards to be made..........	87	92	+ 15
Site Visits to be made.....	155	165	+ 10
Major Program Reports......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Media and resource services: Regional resource centers	9	9	--

Contracts are awarded for the operation of 14 regional resource centers to develop and apply methods of appraisal and special educational programming practices for handicapped children.

No new positions are required for 1976.

Program Data:

Appropriation..............	$7,087,000	$ 9,750,000	+$2,663,000
Applications processed......	14	14	--
Awards to be made...........	14	14	--
Site visits made............	30	30	--
Major Program Reports.......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Media and resource services: Recruitment and information	1	1	--

This program is designed to encourage people to enter the career field of special education and to provide information and referral services to parents of handicapped children. No new positions are required for 1976.

Program Data:

Appropriation...............	$ 500,000	$1,000,000	+$500,000
Applications processed......	12	12	--
Awards to be made...........	3	13	+ 10
Site visits to be made......	25	25	--
Major Program Reports.......	2	2	--
Number of parents requesting information...............	50,000	100,000	+ 50,000
Number of newsletters mailed to parents................	150,000	200,000	+ 50,000

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Special education manpower development	26	26	--

Grants are awarded to support training of teachers, supervisors, speech correctionists, researchers, and other professionals and para professionals in fields related to the education of the handicapped in regular and special classrooms.

A special manpower analysis has been performed for this activity and is attached as part of special analysis A.

No new positions are required for 1976.

Program Data:

Appropriation..............	$37,700,000	$39,750,000	+$2,050,000
Applications processed......	832	1,075	+ 243
Awards to be made...........	566	600	+ 34
Site Visits to be made......	250	300	+ 50
Major Program Reports.......	2	2	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
Innovative and experimental programs: Gifted and talented children	--	8	+8

The Gifted and Talented Education program staff is responsible for planning, developing, and improving programs to meet the special educational needs of gifted and talented children at preschool, elementary school and secondary school levels. Program activities include training teachers and leadership personnel and supporting model projects. The unit administers the gifted program under the Special Projects Act.

Eight new positions are required for 1976.

Program Data:

Appropriation..............	$ --	$2,560,000	+$2,560,000
Applications processed.....	--	380	+ 380
Awards to be made...........	--	23	23
Site Visits to be made.....	--	70	+ 70
Major Program Reports......	--	2	+ 2

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease No. of Pos.
National Advisory Committee on the Handicapped	3	3	--

The National Advisory Committee on the Handicapped reviews the administration and operation of programs under the Education of the Handicapped Act. It also reviews the administration and operation of special institutions (National Technical Institute for the Deaf, Kendall Demonstration Elementary School, Model Secondary School for the Deaf, Gallaudet College, the National Center on Educational Media and Materials for the Handicapped) and advises the Secretary of HEW and the Commissioner of Education with respect to these programs and the formulation of new programs for the handicapped.

The Committee was created October 9, 1973 through merger of the National Advisory Committee on Education of the Deaf and the National Advisory Committee on Handicapped Children and has assumed the functions of those two groups.

Three employees provide logistical and liaison support. Their duties include making arrangements for hotel meeting rooms and conferences, travel, assisting with the compilation of annual reports which includes clearance and editing, answering public inquiry requests.

Bureau of Occupational and Adult Education

1975 Estimate Pos.	1975 Estimate Amount	1976 Estimate Pos.	1976 Estimate Amount	Increase or Decrease Pos.	Increase or Decrease Amount
133	$4,325,700	156	$4,505,400	+23	$+179,700

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Program Activities:			
Grants to States for Vocational Education............................	32	--	-32
Vocational Research....................	24	--	-24
Adult Education (AEA)..................	24	24	--
Education Personnel: Other Education Personnel Development (EPDA)	19	19	--
(1) Leadership Training............	--	(5)	+ 5
(2) Urban/Rural....................	(9)	(9)	--
(3) Career Opportunities...........	(8)	(4)	- 4
(4) Categorical Programs...........	(2)	(1)	- 1
Proposed Legislation...................	--	56	+56
Innovative and Experimental Programs:			
(1) Metric Projects.................	--	5	+ 5
(2) Community Schools................	--	9	+ 9
(3) Consumers Education..............	1	10	+ 9
Comprehensive Employment and Training Act Activities.......................	5	5	--
Program Direction and Coordination.....	28	28	--
Total............................	133	156	+23

General Statement

A total of 156 positions are requested for administering the activities associated with the Bureau of Occupational and Adult Education in fiscal year 1976, an increase of 23 new positions over the fiscal year 1975 level. In addition to these new positions to support the innovative and experimental programs, a realignment of currently authorized positions is proposed to address new priorities.

The Bureau of Occupational and Adult Education administers programs of grants, contracts, and technical assistance for vocational and technical education, occupational education, adult education, education professions development, Comprehensive Employment and Training Act (CETA), and research and demonstration projects and activities. The bureau is responsible for (1) administering programs of financial support to institutions of higher education, States and local educational agencies, and other public and private non-profit organizations; and (2) developing policies, procedures, guidelines, objectives and plans for administering the above programs.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants to States for Vocational Education	32	--	-32

Support for this activity, previously authorized under the Vocational Education Act is not being requested in fiscal year 1976. The positions associated with this program in fiscal year 1975 have been transferred to "Grants to States for Vocational Programs and Services," (proposed legislation).

Program Data:

Appropriation.....................	$495,167,000	$ 7,161,000	$-488,006,000
Grants to be made.................	56	--	-56
No. of state plans reviewed and approved.........................	56	--	-56
No. of program monitoring site visits.........................	140	--	-140
No. of state management, planning and evaluation visits...........	15	--	-15
No. of new construction activities monitored......................	350	--	-350
No. of visits to monitor placement and follow-up state procedures..	10	--	-10
No. of workshops for planning and reporting conducted.............	10	--	-10
No. of workshops conducted for disadvantaged, handicapped, and work experience.................	5	--	-5
No. of research, curriculum grants and contracts monitored.........	140	--	-140
No. of State Advisory Council workshops conducted.............	3	--	-3

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Vocational Research	24	--	-24

In fiscal year 1976, support for this activity, previously authorized under the Vocational Education Act is not being requested. The positions associated with this program in fiscal year 1975 have been transferred to "Grants to States for Vocational Programs and Services," (proposed legislation).

Program Data:

Appropriation.....................	$ 35,000,000	$ ---	$- 35,000,000
No. of applications received......	440	--	-440
No. of grants/contracts/awards made...........................	138	--	-138
No. of projects supported.........	290	--	-290
No. of monitoring site visits.....	138	--	-138
No. of major program reports......	20	--	-20
No. of final project reports and closeouts........................	120	--	-120

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Adult Education	24	24	--

The adult education program is directed toward more than 52,500,000 adults sixteen years of age and older who lack a 12th grade level of education, and who are not currently enrolled in schools. No new positions are requested in fiscal year 1976, and a special manpower analysis has been performed for this activity and is attached as part of special analysis A.

Program Data:

Appropriation	$ 63,319,000	$ 67,500,000	$+ 4,181,000
Coordination & Review of State Plans.	56	56	--
Coordination of awards to be made	56	56	--
Projects site visits to be made	50	56	+6
Major reports	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Education Personnel Development Activities	19	19	--

This activity includes teacher training programs concentrating on specific populations and subjects where teacher deficiencies are recognized. Although no new positions are requested for this activity, our fiscal year 1976 request proposes a redistribution of available positions, as indicated on the summary table, in order to provide for staffing of "Leadership Training" activities.

Program Data:

Appropriation	$ 8,139,000	$ 8,212,000	$+ 73,000
No. of applications received	55	151	+96
Regional applications coordinated.	37	25	-12
No. of grants to be made	9	51	+42
No. of monitoring site visits	64	94	+30
No. of major reports	20	104	+84
No. of projects to closeout	152	215	+63

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants to States for Vocational Programs and Services (Proposed Legislation)	--	56	+56

The fiscal year 1976 budget request includes a provision to support vocational education legislation proposed for separate transmittal. The new legislation will be proposed requiring Federal funds to be used by States for innovative purposes. Positions to support this activity in fiscal year 1976 would be transferred from "Grants to States for Vocational Education," and "Vocational Research."

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Program Data:			
Appropriation......................	$ ---	$523,006,000	$+523,006,000
No. of applications to be received	--	1,796	+1,796
No. of grants/contracts/awards to be made........................	--	594	+594
Regional Office management reviews	--	10	+10
No. of state program reviews.......	--	20	+20
No. of state plans reviewed and approved.........................	--	56	+56
No. of state management, planning and evaluation visits............	--	25	+25
No. of new construction activities monitored.......................	--	350	+350
No. of visits to monitor placement and follow-up state procedures..	--	10	+10
No. of workshops conducted for planning and reporting...........	--	10	+10
No. of workshops conducted for disadvantaged, handicapped, and work experience.................	--	7	+7
No. of research, curriculum grants and contracts monitored.........	--	120	+120
No. of workshops conducted for State Advisory Councils..........	--	3	+3
No. of final project reports and closeouts.........................	--	150	+150

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Metric Projects	--	5	+5

The purpose of these projects is to encourage and support activities in educational agencies and institutions and to prepare instructional materials to be used as aids to assist students and the general public in learning to use the metric system of measurement. Five new positions are requested to support this new activity in fiscal year 1976.

Program Data:

Appropriation......................	$ ---	$ 2,090,000	$+ 2,090,000
Awards to be made..................	--	64-73	+64-73
Major program reports..............	--	1	1

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Community Schools	--	9	+9

The community schools program will fund projects directed toward providing educational, recreational, cultural and other related community services in accordance with needs, interests, and concerns of the community. Services will be available to State and local educational agencies and institutions of higher learning. In addition to the community services described above, there will be some provisions for training persons to plan and operate community education programs. Nine new positions are requested to support this activity in fiscal year 1976.

Program Data:

Appropriation....................	$ ---	$ 3,553,000	$+ 3,553,000
Grants to local educational agencies........................	--	30-35	+30-35
Grants to state education agencies........................	--	30	+30
Grants to institutions of higher education......................	--	3-5	+3-5

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Consumer Education	1	10	+9

This program will fund projects at the elementary and secondary, postsecondary, and adult education levels to promote consumer education through research, demonstration, and pilot projects. The development of curricula, dissemination of information on curricula, and the conduction of inservice and preservice training will also be focused on by this program. Nine new positions are being requested to support this activity in fiscal year 1976.

Program Data:

Appropriation....................	$ ---	$ 3,135,000	$+ 3,135,000
Awards for assessments and synthesis of consumers' education programs in school systems.........................	--	1-3	+1-3
Awards for regional technical assistance teams................	--	4-6	+4-6
Awards for regional resource centers........................	--	10-12	+10-12
Grants for dissemination..........	--	2-5	+2-5
Contracts for evaluation..........	--	1-3	+1-3
Minigrants.......................	--	220-230	+220-230

Bureau of Postsecondary Education

1975 Estimate		1976 Estimate		Increase or Decrease	
Pos.	Amount	Pos.	Amount	Pos.	Amount
376	$12,147,900	384	$12,463,300	+8	+$315,400

Program Activities	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Basic Opportunity Grants..........	62	62	--
Supplementary Opportunity Grants.	15	15	--
Work-Study......................	22	22	--
Direct Loans.....................	31	31	--
Incentive Grants for State Scholarships....................	8	16	+8
Special Programs for the Disadvantaged..........................	22	22	--
Strengthening Developing Institutions..........................	40	40	--
Institutional Assistance -- Construction..................	16	16	--
International Education Activities	55	55	--
University Community Services....	3	3	--
Aid to Land-Grant Colleges.......	--	--	--
State Postsecondary Education Commissions....................	--	--	--
Cooperative Education............	10	10	--
College Teacher Fellowships......	3	3	--
Training for the Disadvantaged...	--	--	--
Ellender Fellowships.............	--	--	--
Education Personnel (Part E).....	3	3	--
Accreditation and Institutional Eligibility Staff...............	23	23	--
College and University Staff.....	4	4	--
Community College Staff..........	5	5	--
Program Direction and Coordination	54	54	--
Total.......................	376	384	+8

General Statement

A total of 384 positions are requested for the Bureau of Postsecondary Education, an increase of 8 positions over the fiscal year 1975 level. The Bureau is responsible for Federally supported postsecondary education programs for both students and institutions and also for international programs. The requested increase of 8 positions is for the expanded Incentive Grants for State Scholarships program. No positions are requested for four program areas: (1) Aid to Land-Grant Colleges, (2) State Postsecondary Education Commissions, (3) Training for the Disadvantaged, and (4) Ellender Fellowships. The reasons are (1) in the case of Aid to Land-Grant Colleges and State Postsecondary Education Commissions, a limited number of awards were made in fiscal year 1975 and no request for this program is included in the fiscal year 1976 budget; and (2) in the case of the Training for the Disadvantaged, and the Ellender Fellowships programs, a single grant or contract is made to a non-profit institution which performs most of the administration functions associated with the program.

Major objectives of this bureau include:

- Concentrating resources on the Basic Opportunity Grants program and phasing out the Supplementary Opportunity Grants program.

- Ensuring that the Federal capital contributions made under the Direct Loans program in previous years provide the intended funding base for loans to individuals and students.

- Improving the administration of and expanding the Incentive Grants for State Scholarships programs.

- Performing an orderly and timely phase out of the University Community Services program and the Educational Personnel (Part E) program.

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants and Work-Study:			
Basic opportunity grants			
	62	62	--

The Basic Opportunity Grants program administers the award of postsecondary education assistance grants to full and part-time students in some 5,500 postsecondary educational institutions including vocational and technical schools. The grant application and award process involves a needs analysis system approved each year by the Congress.

No new positions are requested for fiscal year 1976.

Program Data:

Appropriation........................	$660,000,000	$1,050,000,000	$+390,000,000
Agreements with institutions processed.	5,500	7,000	+ 1,500
Program progress reports reviewed......	22,000	28,000	+ 6,000
Contract proposals reviewed and awarded	50	60	+ 10
Site visits made.......................	160	240	+ 80
Program inquiries answered.............	52,000	55,000	+ 3,000
Position papers and publications written	10	10	--
Major reports made.....................	10	15	+ 5

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants and Work-Study: Supplementary opportunity grants	15	15	--

The Supplementary Opportunity Grants program awards grants to institutions of postsecondary education on the basis of requests reviewed and approved by regional panels. This is a forward funded program for which no funds are requested in fiscal year 1976. Manpower in fiscal year 1976 will be directed toward administering the forward funded projects and phasing out this program.

No new positions are requested for fiscal year 1976.

Program Data:

	Academic Year 1974 - 1975 1/	Academic Year 1975-1976 2/		
Appropriation	$210,300,000	$240,300,000	$-	30,000,000
Applications processed	3,350	3,600	+	250
Awards made	3,250	3,460	+	210
Fiscal reports reviewed	3,200	3,410	+	210
Site visits made	25	30	+	5
Audits conducted	1,000	1,400	+	400

1/ FY 1974 Appropriation
2/ FY 1975 Appropriation

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Grants and Work-Study: Work-study	22	22	--

The Work-Study program awards grants to postsecondary institutions which in turn provide work and compensation to students so that they may earn a part of the cost of their postsecondary education. A statutory formula determines the distribution of most of the funds among the States and territories. The remaining funds are distributed in accordance with criteria established by the Commissioner which are intended to direct funds to areas of greatest need.

No new positions are requested for fiscal year 1976.

Program Data:

Appropriation	$300,200,000	$250,000,000	$-	50,200,000
Applications processed	3,250	3,500	+	250
Awards made	3,150	3,400	+	250
Fiscal reports reviewed	3,100	3,350	+	250
Site visits made	25	30	+	5
Audits conducted	1,000	1,400	+	400

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Direct Loans: Teacher Cancellations	31	31	--

The Direct Loans program provides long-term, low-interest loans to financially needy students in institutions of postsecondary education to enable them to pursue their course of study at such institutions. All or a portion of the loans to a student may be cancelled in consideration of subsequent service in certain kinds of teaching or subsequent military service in a combat zone. Administration of this program involves a complex loans application review, award, and monitoring process. The capital contributions portion of this program accounts for the large decrease in appropriation but does not significantly reduce the amount of work to be performed under this program since the program is forward funded. In fiscal year 1976 2,000 institutions with revolving fund accounts must be monitored. The teacher cancellation portion of the appropriation, which requires many manhours, has in fact gone up in fiscal year 1976 by $2,520,000 to $8,960,000.

Program Data:

Appropriation..........................	$329,440,000	$8,960,000	$-320,480,000
Student loans..........................	728,000	328,000	- 400,000
Student cancellations..................	300,000	350,000	+ 50,000

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Incentive Grants for State Scholarships	8	16	+8

The Incentive Grants for State Scholarship provides dollar for dollar matching funds to the States to encourage them to increase their scholarship programs. States must continue to spend in excess of previously established base levels of effort to qualify for Federal incentive funds. Program staff allocate funds to the States on a formula basis, ensure that States continue to qualify for funds based on regulations developed by the Office of Education, and monitor the overall effectiveness of the program.

Eight new positions are requested in fiscal year 1976 for administering this expanded program.

Program Data:

Appropriation..........................	$20,000,000	$44,000,000	$+24,000,000
Applications processed.................	56	56	--
Continuing State agency awards.........	41	50	+ 9
New State agency awards................	13	6	- 7
Total awards made......................	54	56	+ 2
Performance reports reviewed...........	108	112	+ 4
Workshops conducted....................	6	6	--
Major reports made.....................	4	4	--
Position papers prepared...............	12	12	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Special Programs for the Disadvantaged Special Services in College, Upward Bound, and Educational Opportunity Grants			
	22	22	--

This discretionary grants award program encourages and assists financially and culturally needy youth or those who are physically handicapped to seek and succeed in postsecondary education. Eligible grantees include institutions of higher education, combinations of such institutions, public and private agencies, organizations (including professional and scholarly associations), and in exceptional cases, secondary schools, including secondary vocational schools. Funding selections are made by the regional staff and approved by the Regional Director.

No new positions are requested for fiscal year 1976.

Program Data:

Appropriation..........................	$70,331,000	$70,331,000	$ ---
Awards to be made......................	879	867	-12
Number of new awards made..............	106	94	-12
Number of non competing-continuing awards processed.......................	668	668	--
Number of competing continuing awards made................................	105	105	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Strengthening Developing Institutions			
	40	40	--

The Strengthening Developing Institutions program consists of a basic and an advanced program. The basic program provides annual grant awards to institutions of higher education to strengthen the academic quality of developing institutions. This program is forward funded. The average award in fiscal year 1976 will be larger than in fiscal year 1975 in an effort to develop comprehensive planning capabilities to facilitate transition to the advanced program.

The advanced program provides multi-year (3-5) grant awards to institutions of higher education to promote innovative projects and special purpose programs, to assist the attainment of financial self-sufficiency, and to accelerate development among relatively highly developed colleges.

Program Data:

Appropriation...........................	$110,000,000	$110,000,000	$ ---
Applications to be processed...........	756	756	---
Awards to be made.......................	237	186	-51

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Institutional Assistance: Construction	16	16	--

The Construction program provides annual interest subsidy grants to help institutions of postsecondary education utilize private capital for construction. Although there were no new grant awards in fiscal years 1974 or 1975 and there will be none in fiscal year 1976, there is obligational authority and the need to monitor continuing projects, obligate funds and process payments.

No new positions are requested for fiscal year 1976.

Program Data:

Obligation............................	($20,000,000)	($23,000,000)	($+3,000,000)
Number of prior year loans............	723	723	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
International Education Activities	55	55	--

The three International Education Activities administered by this bureau are: (1) Centers, Fellowships and Research; (2) Fulbright-Hays Fellowships; and (3) Grants to American Institutions.

The Centers, Fellowships and Research program awards grants and/or contracts to help American institutions of higher education strengthen the academic base for teaching and research in modern foreign languages, area studies and world affairs. Applications and proposals are reviewed for award in support of centers, exemplary projects, fellowships, and research. Monitoring and technical assistance is also performed. In fiscal year 1975, an estimated 142 projects and 604 fellowships are to be supported; in fiscal year 1976, 142 projects and 600 fellowships.

The Fulbright-Hays Fellowship program administers and coordinates the application and award of fellowships and grants for faculty and doctoral dissertation research, group projects for research, training and curriculum development and curriculum consultant services of foreign educators. Awards are made to recipients with the advice of a panel of specialists, selections are subject to review and final approval by the Board of Foreign Scholarships. In fiscal year 1975, an estimated 132 fellowships are to be awarded; in fiscal year 1976, 126.

Grants to American Institutions provides funds to United States institutions of higher education, individual researchers, State and local education agencies, and non-profit educational organizations. A panel of outside consultants recommends approval of applications. In fiscal year 1976, an estimated 69 projects will be awarded. This is 18 more projects than in fiscal year 1975.

No new positions are requested in fiscal year 1976.

Program Data: Centers, Fellowships and Research

Appropriation	$ 8,640,000	$ 8,640,000	$ ---
Awards to be made	142	142	
Fellowship Awards	604	600	-4

Program Data: Fulbright-Hays Fellowships

Appropriation	$ 1,360,000	$ 1,360,000	$ ---
Fellowship Awards	132	126	- 6
Group Awards	10	5	- 5
Total Awards	142	131	-11
Group project abroad participants	270	150	-120

Program Data: Grants to American Institutions

Appropriation	$ 1,000,000	$ 2,000,000	$+1,000,000
Number of projects	51	69	+18

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
University Community Services			
	3	3	--

The University Community Services program provided grants, both State formula and discretionary, to postsecondary institutions. A small staff will continue to lend technical assistance to States and complete the phase-out of this program.

No new positions are requested in fiscal year 1976.

Program Data:

Appropriation	$ 900,000	--	$ -900,000
Applications processed and awards made	56	56	--
Institutions served	570	340	- 230
Projects monitored	500	300	- 200
Discretionary awards made	11	11	--
Site visits made	31	31	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Aid to Land-Grant Colleges: Permanent Appropriation	--	--	--

Grants of $50,000 are awarded to support postsecondary instructions in agriculture, the mechanic arts, the English language, and various branches of the sciences. Awards are made to each State, the District of Columbia, Puerto Rico, Guam and the Virgin Islands. The administrative functions necessary to operate this relatively simple program do not require full position allocations for operation in fiscal year 1975 or close out in fiscal year 1976.

Program Data:

Appropriation	$2,700,000	--	$-2,700,000
Awards to be made	54	--	- 54

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Institutional Assistance: State Postsecondary Education Commissions	--	--	--

A limited number of awards were made in fiscal year 1975 and no request for positions is included in the fiscal year 1976 budget.

Program Data:

Appropriation............................	$ 800,000	--	$ -800,000

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Institutional Assistance: Cooperative Education	10	10	--

Under the Cooperative Education Program, research and training grants or contracts are awarded to institutions of higher education or combinations of such institutions or other non-profit organizations. The program staff will concentrate on the rendering technical assistance, monitoring, and ensuring satisfactory completion of projects.

No new positions are requested in fiscal year 1976.

Program Data:

Appropriation............................	$ 10,750,000	$ 8,000,000	$ -2,750,000
New Awards made.........................	75	100	+ 25
Competing Continuing Awards............	275	130	- 145

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Personnel Development: College Teacher Fellowships	3	3	--

The College Teacher Fellowship program provides funds to institutions of higher education for stipends to individuals and cost-of-education allowances to institutions. This program will provide funds for veterans who were fellows and are now resuming study.

No new positions are requested for fiscal year 1976.

Program Data:

Appropriation............................	$ 4,000,000	$ 1,000,000	$ -3,000,000
Number of Returned Fellows Supported..	610	150	-460
Number of Institutions Receiving Awards..............................	150	125	- 25

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Personnel Development: Training for the Disadvantaged			
	--	--	--

The Training for the Disadvantaged program provides non-competitive project grants or contracts to the Council on Legal Education Opportunity. The program is forward funded; no matching funds are required. The program provides training in the legal professions to persons from disadvantaged backgrounds. A single grant or contract is made to the Council which performs most of the administrative functions associated with the program and, therefore, no positions are requested for this program.

No positions are requested in fiscal year 1976.

Program Data:

Appropriation..........................	$ 750,000	$ 750,000	--
Number of New Trainees.................	266	180	-86
Number of Continuing Trainees.........	348	364	+16

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Personnel Development: Ellender Fellowships			
	--	--	--

The Ellender Fellowship program provides a non-competitive grant to the Close Up Foundation of Washington, D. C. to help the Foundation carry out its program of increasing the understanding of the federal government among secondary school students, their teachers, and the communities they represent.

No positions are requested for fiscal year 1976.

Program Data:

Appropriation..........................	$ 500,000	$ 500,000	--
Fellowships Awarded....................	1,500	1,500	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Education Personnel: Higher Education (Part E)			
	3	3	--

Part E of the Higher Education Act of 1965 provides for grants and contracts with colleges and universities for the purpose of training present or prospective college teachers, administrators and educational specialists. Administrative close-out of this program will require three positions in fiscal year 1976; no new positions are requested.

Program Data:

Appropriation..........................	$ --	$ --	$ --
Continuing projects....................	185	--	-185
Reports reviewed.......................	100	85	- 15
Site visits made.......................	15	10	- 5
Projects closed out....................	100	85	- 15

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Accreditation and Institutional Eligibility Staff	23	23	--

This staff conducts institutional accreditation eligibility reviews, develops responsible assurances of accreditation procedures for eligibility purposes and for the new authority to limit, suspend, and terminate institutional eligibility under carefully administered procedures. A major effort in fiscal year 1976 will be to strengthen the accreditation process, particularly in the proprietary school area.

No new positions are requested in fiscal year 1976.

Workload Data:

	1975	1976	Increase or Decrease
Institutions reviewed for eligibility purposes	11,023	12,400	+1,377
Institutions reviewed for satisfactory assurance of accreditation	30	70	+40
Coordination and review of accrditting and State approving agencies	95	120	+25
Eligibility terminations	350	275	-75
Professional meetings and meetings with advisory councils and officials of accreditting and State approving agencies	120	175	+55
Institutional on-site reviews	40	105	+65

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
College and University Staff	4	4	--

The College and University staff is responsible for coordinating programs administered by the Bureau of Postsecondary Education which affect or benefit colleges and universities and for serving as liaison with other programs within the Office and with other government agencies. It serves as a focal point for liaison with colleges and universities.

Workload Data:

	1975	1976	Increase or Decrease
Office of Education liaison meetings with government and non-government agencies	70	70	--
Conferences held and/or attended	55	55	--
Major written documents developed and/or reviewed	1,200	1,200	--
Survey of Howard University	1	1	--

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Community College Staff	5	5	--

The Community College staff is responsible for coordinating all programs administered by the Bureau of Postsecondary Education which affect, or can benefit community colleges. The staff coordinates with other government college programs and activities and serves as a focal point for liaison with community colleges.

Workload Data:

Office of Education liaison meetings with government and non-government agencies...........................	50	50	--
Conferences held and/or attended....	33	33	--
Major written documents developed and/or reviewed.....................	600	1,000	+400

SPECIAL ANALYSIS A

OFFICE OF EDUCATION

Zero-based Manpower Budget Justification for Programs, Projects and Services

The Office of Education is implementing an agency-wide manpower utilization data support system to assist in position justification and control.

The major components of the manpower support system are (1) provisional standard time work-unit indicators, (2) projected work-counts for FY 75 and FY 76, (3) projected staffing requirements by organizational unit and function.

Standard time work-count indicators are independent numeric variables based on FY 74 actual manpower used in man-days for one output. These indicators are mathematically derived from data collected from USOE managers. Programs, project and service managers estimated actual work-time allocated to functions for which managers were directly accountable in FY 74. In addition, actual work-counts or the number of work units accomplished in FY 74 were collected from managers. For each major organizational function a formula is used to determine the standard time indicator:

$$\frac{\text{WORK-TIME IN MAN-DAYS}}{\text{NUMBER OF WORK-COUNTS}} = \text{STANDARD TIME WORK-UNIT INDICATOR IN MAN-DAYS;}$$

or,

$$\frac{\text{INPUT}}{\text{OUTPUT}} = \text{STANDARD UNIT OF COST INDICATOR}$$

USOE managers also estimated future output or work-counts for FY 75 and FY 76. Estimates were based on administrative experience and anticipated legislative requirements. Projected work-counts are, consequently, dependent variables subject to changes in authorizing legislation, appropriation levels and administrative needs and experience.

Man-years of effort are projected based on the formula:

> STANDARD TIME WORK-UNIT INDICATOR X PROJECT WORK-COUNT = PROJECTED WORKLOAD IN MAN-DAYS

or,

> UNIT OF COST X PROJECTED OUTPUT = PROJECTED INPUT IN MAN-DAYS

Man-days are converted to man-years by dividing the projected man-days workload by 212.5 man-days (17,000 man-hours) which is closely equivalent to a productive man-year in USOE after subtracting holidays, average sick-leave days, average annual leave days per employee.

This is the first time that this system has been used in the Office of Education. Forecasts will be checked against actual manpower expended during the next year (FY 76) to determine the reliability and validity of data. This will assist in refining the system and providing the Office of Education with an important and effective tool for justifying manpower requests and improving manpower utilization.

Programs included in this justification are:

- Right to Read Program
- Teacher Corps Program
- Contracts and Grants Support Services
- Special Education Manpower Development Program
- Adult Education Program
- Follow-Through Program

TEACHER CORPS

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Policy Making and Planning (level of effort)	850.00	1	1	850	850
Initiation of Grants (applications)	3.63	251	322	912	1170
Grant Maintenance (awards)	1.47	380	387	559	569
Project Review (site visits)	6.33	275	387	1742	2450
Program Review (level of effort)	637.50	1	1	638	638
Data Analysis and Dissemination (reports)	531.25	1	1	531	531
Indirect Professional Activities (% of direct activities)	6.48%	5232	6208	339	402
Secretarial and Clerical (% of professional activities)	23.96%	5571	6610	1335	1584
Total Man-days				6906	8194
Total Man-years				33	35
FY 76 Positions Requested					37

RIGHT TO READ

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Policy Making and Planning (level of effort)	403.75	1	1	404	404
Initiation of Grants (applications)	2.21	297	310	656	685
Grant Maintenance (awards)	1.76	207	114	364	201
Project Review (site visits)	7.91	150	175	1187	1384
Program Review (level of effort)	403.75	1	1	404	404
Data Analysis and Dissemination (reports)	148.75	1	1	149	149
Indirect Professional Activities (% of direct activities)	19.73%	3164	3227	624	637
Secretarial and Clerical (% of professional activities)	39.77%	3788	3864	1507	1537
Total Man-days				5295	5401
Total Man-years				25	26
FY 76 Positions Requested					26

CONTRACTS AND GRANTS SUPPORT SERVICES

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Direction and Control (level of effort)...	744.3	1	1.3	744	968
Policy, Procedures and Planning (level of effort)...............	638.0	1	1.3	638	829
Negotiation and Administration of Contracts (contracts negotiated and modified)................................	0.6	3847	4000	2308	2400
Pre Award & Negotiation of Grants (grants negotiated)...............	0.5	10,094	10,497	5047	5248
Administration of Grants (grant revisions made)................................	0.4	7210	7210	2884	2884
Grant Close-Outs (close-outs)............	0.2	10,000	10,000	2000	2000
Property Management (property counts).....	0.6	1000	1000	600	600
Scheduling (program schedules)............	3.3	120	120	396	396
Application Receipt & Control (applications)..................	0.05	25,000	26,000	1250	1300
Forms Clearance (level of effort).........	425	1	1	425	425
Cost & Price Analysis (reports issued)....	4.3	97	100	417	430
Information Control (corresponsence answered)................................	.5	465	465	232	232
Indirect Activities (percentage of direct activities).............................	5.0%	16,941	17,712	847	886
Secretarial and Clerical (percentage of professional activities)................	40.0%	17,788	18.598	7115	7439

Total Man-days.. 24,903 26,037

Total Man-years.. 117 123

FY 76 Positions Requested.. 116

FOLLOW THROUGH

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Policy Making and Planning (level of effort)......................	584.38	1	1	584	584
Initiation of Grants (applications)........................	4.99	220	220	1099	1099
Grant Maintenance (awards)............................	1.37	169	169	232	232
Project Review (site visits).........................	10.00	90	128	900	1280
Program Review (level of effort).....................	127.50	1	1	128	128
Data Analysis and Dissemination (reports)............................	21.25	1	1	21	21
Indirect Professional Activities (% of direct activities)..............	13.71%	2964	3344	406	458
Secretarial and Clerical (% of professional activities)........	41.18%	3370	3802	1388	1566
Total Man-days..				4758	5368
Total Man-years...				22	25
FY 76 Positions Requested..					25

SPECIAL EDUCATION MANPOWER DEVELOPMENT
(Handicapped)

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Policy Making and Planning (level of effort)	701.25	1	1	701	701
Initiation of Grants (applications)	.96	832	1075	798	1028
Grant Maintenance (awards)	.75	566	600	425	450
Project Review (site visits)	5.00	250	300	1250	1500
Program Review (level of effort)	425.00	1	1	425	425
Data Analysis and Dissemination (reports)	63.75	2	2	128	128
Indirect Professional Activities (% of direct activities)	9.0%	3727	4232	335	381
Secretarial and Clerical (% of professional activities)	31.0	4062	4613	1259	1430
Total Man-days				5321	6063
Total Man-years				25	28
FY 76 Positions Requested					26

ADULT EDUCATION

Functions with Workload Indicator	Man-days Required for each Work Unit	Estimated Work Units		Estimated Man-days Required	
		FY 75	FY 76	FY 75	FY 76
Overhead & Supervision (percentage of direct activities)	11.0%	3305	3365	364	370
Policy-making and direction (level of effort)	111.0	1	1	111	111
Future Fiscal Year Planning (level of effort)	294.0	1	1	294	294
Programming for Expanding General Adult Education (level of effort)	370.0	1	1	370	370
Technical Assistance (level of effort)	325.0	1	1	325	325
Data Collection & Analysis (reports)	106.3	1	1	106	106
Initiation of Grants (state plans)	.8	56	56	45	45
Grants Maintenance (awards)	.8	56	56	45	45
Program Review (level of effort)	212.5	1	1	213	213
Project Review (site visits)	10.0	50	56	500	560
Advisory Council(State Councils)	1.9	56	56	106	106
National Clearinghouse (level of effort)	1020.0	1	1	1020	1020
Community School Coordination (level of effort)	170.0	1	1	170	170
Secretarial & Clerical (percentage of professional activities)	40.0%	3669	3735	1467	1494

	FY 75	FY 76
Total Man-days	5136	5229
Total Man-years	24	25
FY 76 Positions Requested		24

SPECIAL ANALYSIS B

GUARANTEED STUDENT LOAN PROGRAM

	1975 Estimate No. of Pos.	1976 Estimate No. of Pos.	Increase or Decrease
Guaranteed Student Loan Program....	424	541	+117

Narrative

Mission:

The mission of the Office of Guaranteed Student Loans is to facilitate the making of loans enabling eligible students to borrow in order to finance their postsecondary education.

Management Objectives:

A major management goal of the Office of Education for fiscal year 1976 is to continue to strengthen the administration of the Guaranteed Student Loan Program (GSLP). Specific objectives include:

--implementing a fully developed claims examination function in the Regional Offices.

--improving collections of defaulted loans to minimize the loss to the Federal Government.

--developing a technique for improved interest billings verification.

--utilizing an estimation model to facilitate program planning and budgeting.

--utilizing the Manpower Management System to improve budget accuracy and to evaluate program performance.

--revising and publishing stringent program regulations.

--issuing up-dated program manuals for lenders and eligible institutions.

--providing continuous training programs for Regional personnel: field examiners, claims examiners, collectors and collector correspondents.

--developing and implementing a strategy for communications between the Guaranteed Student Loan Program and lenders, schools, the public and the media as well as for internal Office of Education, Regional Offices and guarantee agencies use.

--increasing the number and quality of the program reviews of participating lenders and eligible institutions to effect better care and diligence in the making of loans to reduce potential defaults.

--conducting annual program and due diligence reviews of guarantee agencies.

--designing a sophisticated and improved computer system to assure financial accountability, a quality data base and sound long-range management and administration of the program.

Workload Data and Resource Requirements:

In developing the estimates for additional resources required in fiscal year 1976, every effort has been made to relate personpower requirements to specific management objectives and to workload data. The following tables present the allocation of the Guaranteed Student Loan Program resources using fiscal year 1975 as a base and showing required increases for fiscal year 1976 based on workload projections. The first allocates both Regional and Central Office personnel by functional assignments; the secound presents a breakdown of the gross Regional allocation by individual Regional Offices.

GUARANTEED STUDENT LOAN PROGRAM

Allocation of Regional and Central Office Personnel

	1975 Base	1976 Estimate	Increase
Regional Offices			
Program Management	19	20	+ 1
Program Compliance	62	123	+ 61
Field Examiners	(40)	(73)	(+ 33)
Claims Examiners	(9)	(24)	(+ 15)
Clerical	(13)	(26)	(+ 13)
Collections	182	222	+ 40
Collectors	(135)	(135)	--
Collector Correspondents	---	(37)	(+ 37)
Clerical	(47)	(50)	(+ 3)
Student Loan Servicing Center	2	2	---
SUBTOTAL Regional Offices	265	367	+102
Central Office			
Office of the Associate Commissioner	4	4	---
Field Support Staff	6	7	+ 1
Executive Office/Program Control Staff	15	16	+ 1
Program Development	22	25	+ 3
Operational Support	69	75	+ 6
Program Systems	36	40	+ 4
Compliance Staff	7	7	---
SUBTOTAL Central Office	159	174	+ 15
TOTAL REGIONAL AND CENTRAL OFFICES	424	541	+117

GUARANTEED STUDENT LOAN PROGRAM

Allocation of Regional Personnel by Region with Functional Assignments

REGION				PROGRAM COMPLIANCE FUNCTIONS									COLLECTION FUNCTIONS									STUDENT LOAN SERVICING CENTER			TOTAL		
	PROGRAM MANAGEMENT			FIELD EXAMINERS			CLAIMS EXAMINERS			CLERICAL			COLLECTORS			COLLECTOR CORRESPOND.			CLERICAL								
	75	76	+	75	76	+	75	76	+	75	76	+	75	76	+	75	76	+	75	76	+	75	76	+	75	76	+
I-Boston	2	2	-	2	6	4	-	1	1	1	2	1	3	3	-	-	-	-	1	1	-	-	-	-	9	15	6
II-NewYork	2	2	-	3	5	2	-	1	1	1	2	1	7	7	-	-	2	2	3	3	-	-	-	-	16	22	6
III-Phil.	1	2	1	3	8	5	-	1	1	2	3	1	5	5	-	-	1	1	2	2	-	-	-	-	13	22	9
IV-Atlanta	2	2	-	5	10	5	1	2	1	1	3	2	15	15	-	-	4	4	5	5	-	-	-	-	29	41	12
V-Chicago	2	2	-	5	12	7	1	4	3	2	4	2	12	12	-	-	3	3	5	5	-	-	-	-	27	42	15
VI-Dallas	2	2	-	4	7	3	2	5	3	1	3	2	31	31	-	-	9	9	11	12	1	-	-	-	51	69	18
VII-KC	2	2	-	4	7	3	-	1	1	1	2	1	4	4	-	-	1	1	2	2	-	2	2	-	15	21	6
VIII-Denver	2	2	-	4	5	1	1	2	1	1	2	1	9	9	-	-	2	2	3	3	-	-	-	-	20	25	5
IX-SFran.	2	2	-	8	10	2	3	6	3	2	4	2	44	44	-	-	13	13	13	15	2	-	-	-	72	94	22
X-Seattle	2	2	-	2	3	1	1	1	-	1	1	-	5	5	-	-	2	2	2	2	-	-	-	-	13	16	3
TOTAL	19	20	1	40	73	33	9	24	15	13	26	13	135	135	-	-	37	37	47	50	3	2	2	-	265	367	102

REGIONAL OFFICE ANALYSIS

Program Compliance -- Field Examination

	1975 Base	1976 Estimate	Increase
Field Examiners	40	73	33
Person Years	32.6	65.0[1]	32.4

Each lender participating in the Guaranteed Student Loan Program is required to exercise reasonable care and diligence in the making, servicing, and collecting of guaranteed loans. State and private nonprofit agencies, in order to qualify for Federal reinsurance, must establish such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss, and to assure that due diligence will be exercised in the collection of loans insured under the program.

To the extent that all lenders and agencies adhere to the "due diligence" concept, the volume of loans in default can be held to a minimum. The objectives and activities described below are all directed toward assisting lenders and agencies in carrying out their responsibilities under this phase of the program. The 33 additional people requested will:

--conduct follow-up examinations and reviews on commercial lenders and schools which had significant due diligence and compliance problems when visited previously.

--conduct follow-up examinations and reviews of commercial lenders, schools and Guarantee Agencies which were audited in the previous fiscal year by the Department of Health, Education, and Welfare Audit Agency to insure that the institutions are complying with audit recommendations.

--conduct the above procedure with respect to General Accounting Office audits.

--conduct examinations and reviews on a timely basis of lenders, schools or borrowers when a question of alleged fraud or forgery has been made.

--create a viable working relationship between the field and claims examiners to enhance the care and diligence of the lenders in the making, servicing and collecting of loans.

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[1] All person year estimates throughout this justification allow for a one quarter lapse in available time due to the processing time required to fill the requested positions. The formula used in calculating the estimate is (fiscal year 1975 positions @ 100%) + (fiscal year 1976 positions @ 75%) = total available person years for fiscal year 1976.

Background and Workload Data

In the past, insufficient manpower has been available to effectively monitor program participants. This has resulted in an abuse and misrepresentation of the program to the borrower market. The first step to the rectification of this situation will be the publication of the newly revised and more stringent program regulations in February 1975; but without adequate manpower to enforce them, this action will be fruitless.

Presently, there are over 19,000 commercial lenders, 169 active school lenders, 8,400 eligible schools and 27 State Agencies participating in the program, producing a universe totaling over 25,000 institutions to be monitored by the field examiners. As established by the Manpower Management System and reinforced by experience, one field examiner can conduct 72 examinations per year. With the personpower available in fiscal year 1975, 2,346 (72x32.6) examinations will be performed, assuming no restrictions on travel. This leaves a large portion of the existing universe unmonitored and at a continued rate of 2,880 (72 x 40) examinations per year, it would take approximately nine years to visit all the participants at least once. The additional 33 positions would increase the examination potential by 1,800 (72 X 25) 1/ examinations in fiscal year 1976 and by 2,646 (72 x 33) examinations in the following years. Thus with a full-time staff of 73 field examiners, 5,256 (72 x 73) examinations could be conducted each fiscal year, making it possible to meet the management objectives listed previously and reducing the amount of time to reach each participant at least once five years.

The following table presents a breakdown of the examinations conducted by type of participant.

OFFICE OF GUARANTEED STUDENT LOANS
WORKLOAD DATA FOR PROGRAM EXAMINATION ACTIVITY
FISCAL YEARS 1974-1976

	Universe	Actual FY 1974	Estimate FY 1975	Estima FY 197
A. Number of field examiner positions	n/a	25.0	40.0	73.0
B. Number of field examiner person years	n/a	11.1	32.6	65.0
C. Number of examinations and reviews each examiner can complete in one year	n/a	72.0	72.0	72.0
D. Total number of examinations and reviews processed (A times B)	n/a	800.0	2,346.0	4,680.0
1. Number of school lenders	(169)	(54)	(169)	(169)
2. Number of Guarantee State Agencies	(26)	(13)	(26)	(26)
3. Number of high default lenders and/or lenders with portfolios of more than 500 loans	(1,653)	(137)	(1,507)	(165)
4. Number of State Lenders	(9)	(6)	(9)	(9)
5. Number of schools	(7,600)	(20)	(216)	(899)
6 Number of all other lenders	(13,778)	(570)	(419)	(3,412)
7. Total number of participants available for examination/review	23,235	n/a	n/a	n/a

Program Compliance — Claims Examination

	1975 Base	1976 Estimate	Increase
Claims Examiners	9	24	15
Person Years	7.9	21	13.1

The Guaranteed Student Loan Program states that if a lender exercises reasonable care and diligence in the making and collecting of a loan, and the borrower ultimately defaults, becomes bankrupt, dies or becomes totally disabled, the lender may then file a claim for 100 percent of the principal and interest under the Federal program and for 80 percent of the unpaid principal under the Reinsurance program. The 15 additional people will:

--activate an efficient claims examination process in each Regional Office to encourage and sustain lender participation in the program and to protect the Federal government from payment of claims which do not reflect use of care and diligence on the part of the lender.

--create a viable relationship with the field examiners to enhance the care and diligence of the lenders in the making, servicing, and collecting of loans.

Background and Workload Data

Prior to fiscal year 1975 and because of limited resources, the claims examination function was performed in the Central Office. This function was activated in the Regional Offices in fiscal year 1975 when 8 positions from the fiscal year 1974 regular appropriation and 1 position from the fiscal year 1974 supplemental appropriation were designated as Regional claims examiners. It was scheduled that 9 of the Regional Offices would initiate this function at the beginning of the second quarter in 1975; in reality only 4 met this goal. An additional 3 Regions began processing claims in December; with the remaining 2 Regions not scheduled to begin until the third quarter. Even though all claims personnel have been hired, scheduled training programs have had to be either postponed or substituted with less extensive programs because of limitations placed on travel and training funds.

The Manpower Management System established the preferred workload per examiner at 7,040 claims per year. This rate assures the proper review of each claim and avoids the problem of post audit. Due to the nature of the function and to fulfill the management objectives, all claims must be reviewed and paid during the year in which they are filed. This requirement has the effect of reducing the quality of the output if the manpower is not sufficient to handle the inflow of claims.

During fiscal year 1975, an estimated 136,800 claims will be filed in the Regional Offices. At the optimum rate of 7,040 claims per examiner, 19 examiners would be required to process this workflow. Only 7.9 person years will be available for the claims function in fiscal year 1975, as is reported in the following workload table; therefore, each examiner will have to process 17,316 claims The additional positions in fiscal year 1976 would reduce this effective rate to 6,905 claims per examiner based on the estimated receipt of claims.

OFFICE OF GUARANTEED STUDENT LOANS
WORKLOAD DATA FOR CLAIMS REVIEW ACTIVITY
FISCAL YEARS 1975 - 1976

	FY 1975 Estimate	FY 1976 Estimate
A. Number of new claims[1] received each month (average)	11,400	12,083
B. Number of new claims received and processed annually	136,800	145,000
C. Number of claims examiner person years	7.9	21.0
D. Number of claims one examiner will process	17,316	6,905

[1] Includes defaults, bankruptcies and death and disability claims.

Collections - Collectors/Collector Correspondents

	1975 Base	1976 Estimate	Increase
Collectors	135	135	--
Collector Correspondents	--	37	37
Total	135	172	37
Person Years	108	162.8	54.8

The Guaranteed Student Loan Program consists of two parts: a Federal Insurance Program and a State and private nonprofit agency insurance program. Loans made under most of the latter programs are reinsured by the Federal Government at 80 percent of their insured unpaid principal balance.

In the case of loans guaranteed by State Agencies, the law requires exercise of due diligence on the part of the lender prior to the agency paying default claims. The agency has full responsibility for recovery of the loss and 80 percent of such recoveries under the program must be returned to the Federal Government for deposit in the Student Loan Insurance Fund. Under this Reinsurance Program, the Federal Government has no direct collection responsibilities.

Under the Federal Insurance Program, the lender is obligated to make all reasonable efforts to recover his losses before presenting a default claim. The Federal Government then attempts to recover directly from the student. Collection efforts were commenced centrally in fiscal year 1968, but significant numbers of default claims were not received by the Office of Education until fiscal year 1971.

Prior to fiscal year 1975, because of staffing and resource constraints, the Office had been unable to fully implement an effective collection program demonstrating its commitment to recover on defaulted loans, thereby reducing losses to the Government. However, with the receipt of an additional 109 collectors in the final quarter of fiscal year 1974, the collection function in the Regional Offices approached a viable recovery effort.

To continue this effort effectively, an additional 37 positions are required in fiscal year 1976. These additional people will:

--make students more aware of their responsibility to repay loans.

--monitor the recovery program through the Manpower Management System and Operational Planning System.

--create an efficient, productive and modern collection facility in each Regional Office.

--increase collections in the Federal program from $7,000,000 in fiscal year 1975 to $17,100,000 in fiscal year 1976, and in the State programs from $6,100,000 in fiscal year 1975 to $13,800,000 in fiscal year 1976.

--accelerate litigation of defaulted borrowers.

Background and Workload Data

An estimated backlog of 181,458 uncoverted defaulted loans will exist on July 1, 1975, under the Federal program. Approximately 132,000 new claims will be received during 1976 thus creating a grand total of 313,458 accounts which will be available for conversion activity during fiscal year 1976. On the basis of the best output data available, one full-time trained collector or collector correspondent with proper support can convert 396 accounts to repayment status during the year.

The following table presents the backlog of existing accounts, the estimated additional number of claims to be received, the number of person years being applied to the projected workload and the number of accounts which can be converted with the associated person power.

OFFICE OF GUARANTEED STUDENT LOANS
FEDERAL PROGRAM
WORKLOAD DATA FOR COLLECTION ACTIVITY
FISCAL YEARS 1975 - 1977

	1975 Estimate	1976 Estimate	1977 Estimate
A. Uncoverted accounts brought forward (C-E prior year)	103,226	181,458	248,989
B. Accounts received current year	121,000	132,000	79,286
C. Total accounts available for conversion (A+B)	224,226	313,458	328,275
D. Person years	108.0	162.8	185.0
E. Number of accounts converted (D times 396)	42,768	64,469	73,260

The additional 37 positions requested in fiscal year 1976 will be designated as collector correspondents and will handle conversions produced through the Computer Generated Letter Program and manual form letters. As shown in the above table, even with 172 filled positions, the recovery effort cannot keep pace with the large influx of new accounts causing the backlog to continue to grow. Management believes that during the next fiscal year the number of new accounts will begin to stabilize at a level which can be maintained by 185 collectors/collector correspondent positions. As an intermediate measure, only 37 positions are being requested to serve as a building base as the collection function is refined and augmented in each of the Regional Offices. To further this development objective, each of the Regional Offices has been instructed that the first three collector positions are to be filled with permanent staff and of their remaining collector positions one-third are to be filled with temporary staff. This policy will facilitate the reallocation of positions if actual workload so dictates.

Cost Effectiveness

Experience has shown that a converted account will produce receipts of $110 in its initial year of conversion and $191 in subsequent years until it is paid-in-full. Therefore, for each additional manyear of effort expended in the collection effort, $43,560 ($110 x 396) will be returned to the program. Thus, with an effective increase of 54.8 manyears, an additional income of $2,387,088 ($43,560 x 54.8) will be realized on new accounts in fiscal year 1976, $1,210,968 ($43,560 x 27.8) 1/ is directly attributable to the requested 37 additional positions. The accounts converted during fiscal year 1976, reduced by 5 percent paid-in-fulls in each subsequent year, will continue to produce receipts into the future at a rate of $191 per account. Thus, the 11,099 accounts converted by the 37 additional positions will produce receipts totaling $2,013,914; $1,913,247; $1,817,585; and $1,726,678 during the following four fiscal years. Also, during these years, the 37 positions will continue to convert 396 accounts each year thus increasing the number of accounts producing receipts. Below are two summary analysis tables. The first presents a breakdown of annual collection receipts allocating the receipts to the fiscal year in which the accounts producing the receipts were converted, and the second presents the actual number of accounts producing receipts. These tables assume an increase to 185 positions in fiscal year 1977.

Federal Program
Receipts from Converted Accounts

FY Account is converted	FY 1975	FY 1976	FY 1977
FY 1974	$ 2,300,000	$ 2,200,000	$ 2,100,000
FY 1975	4,700,000	7,800,000	7,400,000
FY 1976		7,100,000	11,700,000
FY 1977			8,100,000
TOTAL	$ 7,000,000	$17,100,000	$29,300,000

Number of Converted Accounts Producing Receipts

FY Account is converted	FY 1975	FY 1976	FY 1977
FY 1974	12,259	11,646	11,063
FY 1975	42,768	40,630	38,598
FY 1976		64,469	61,246
FY 1977			73,260
TOTAL	55,027	116,745	184,167

Clerical

Clerical support has been insufficient to meet the workload needs of the Regional Office personnel. Based on established professional to clerical ratios, 17 additional clerical positions are being requested to support the Program Director, field and claims examiners, and collector/collector correspondents in fiscal year 1976. For a functional assignment of these 17 positions see the preceeding table on the "Allocation of Regional Positions."

CENTRAL OFFICE ANALYSIS

Differing from the Regional Offices which exist in an operational environment and lend themselves very readily to specific output and workload indicators, the Central Office operates as a policy making unit with fewer quantifiable output indicators. From data supplied by experience, 15 additional positions are being requested in fiscal year 1976 for the Central Office. Each functional area requiring an increase is discussed: first, with a synopsis of the major tasks assigned to the area; followed by a specific analysis of how the requested additional resources would be utilized.

Field Support Staff

	1975 Base	1976 Estimate	Increase
Positions	6	7	1
Person Years	4.5	6.8	2.3

The Field Support Staff is responsible for: (1) assuring prompt and complete response to inquiries concerning program policies, procedures or operations made by all Regional Offices: (2) completing responses to guarantee agency inquiries which do not conflict with the delegations of authorities to the Regional Commissioner; (3) promoting the development of guarantee agencies and their programs; (4) assisting in assuring that Regional Office and guarantee agency views are incorporated into program planning, policies and procedures; (5) establishing and maintaining liaison with constituent groups such as school and lender organizations; and (6) maintaining relationships and providing support to Sallie Mae.

Prior to fiscal year 1975, this function was not aggregated and assigned to one unit but spread throughout the office. This being the situation, it was difficult to ascertain the exact workload requirements which would be placed upon this unit. The workload placed upon it during its first year of successful operation has demonstrated the need for one additional position in fiscal year 1976. This position would be employed in the preparation of draft publications to constituency groups concerning program matters, and answering inquiries from the general public, bankers, school personnel and Regional Offices.

Executive and Program Control Staff

	1975 Base	1976 Estimate	Increase
Positions	15	16	1
Person Years	11.3	15.8	4.5

The Executive and Program Control Staff is responsible for the basic monitoring of assigned actions and for the administrative functioning of the Office of Guaranteed Student Loans. The function is supportive of the three major division in such areas as budget, personnel, office services and general administration. The program control function provides close monitoring of required actions assigned to the Office of Guaranteed Student Loans from internal and external sources. The additional person will:

--expedite the processing of monitored correspondence and requests both externally and internally generated.

--improve the quality and quantity of analysis activities performed.

Program Development

	1975 Base	1976 Estimate	Increase
Positions	22	25	3
Person Years	16.5	24.3	7.8

The Division of Program Development is responsible for: (1) program planning; (2) developing and coordinating matters relating to legislation and regulations; (3) conducting program analysis to provide recommendations for changes in legislation and/or regulation; (4) developing policies and procedures defining the operation of the Guaranteed Student Loan Program for lenders, schools, and guarantee agencies including the development and issuance of manuals and guidelines; (5) providing policy guidance to regional offices, guarantee agencies and various constituent groups in areas relating to legislation, regulations and their implementing procedures; (6) coordinating interpretation of legislation and regulations with the Office of General Counsel and other appropriate agencies; and (7) coordinating compliance resolution.

With the publication of the new regulations in February 1975, the way was cleared to begin the extensive task of up-dating and issuing two lender manuals. The completion of this task will provide a sound working basis for the field and claims examiners in the Regional Offices. In order to expedite its completion and to provide a continual up-dating and informing of concerned participants, two additional positions are required. The third position is required to increase the Office's potential for analysis of outside activities which could affect the operation of the program as it is affected by policy, legislative and regulatory decisions of outside organizations. Presently, this is being performed only in a cursory manner; but because of the potential impact outside activities could have on the program, a more in depth emphasis needs to be focused here.

Program Systems

	1975 Base	1976 Estimate	Increase
Positions	36	40	4
Person Years	27	39	12

The Division of Program Systems is responsible for: (1) the design of management systems, and the development and operation of computer-based information systems to accomplish the goals and objectives of the Guaranteed Student Loan Program. This includes conducting management analyses and making recommendations concerning future management systems development, consulting on internal policies, operations and program objectives and reviewing all procedures and forms developed within the program; (2) furnishing Guaranteed Student Loan Program management with systems information, guidance, advice and recommendations emerging from the overall work performed; (3) conducting highly complex management analyses and making continuing systems assignments on internal operating policies and program objectives; (4) providing a single point management function for all the planning, development, and operation of the data processing systems activities within the program; (5) establishing and issuing overall systems policy, allocating resources to systems activities; (6) resolving conflicting priorities and competitive demands for systems activities; (7) resolving conflicting priorities and competitive demands for systems resources; (8) preparing Requests for Proposal and authorizing the procurement of outside commercially available services through contracts; (9) acting as the Contract Technical Representative on program management consulting and systems contract; and (10) recommending systems budget and authorizing expenditures within the approved budget. The four additional people will be assigned to:

--monitoring the planning and budgetary estimation model.
--designing a complex computer system to assure financial accountability, a quality data base and sound long-range management and administration of the program.

Operational Support

	1975 Base	1976 Estimate	Increase
Positions	69	75	6
Person Years	51.8	73.5	21.7

The Division of Operational Support is responsible for: (1) the internal operating policies and procedures relating to processing and programmatic activities to include: insuring loans, paying interest benefits, special allowance and claims; collection of defaulted accounts; and day-to-day communication and personal contact with individual lenders, schools, State agencies and students; (2) providing operational support through document processing activities which are supportive to Regional Office operations, lenders, schools and guarantee agencies; (3) preparing internal program operating policies and procedures supportive to the internal (both central and regional) operation of the program; (4)

monitoring operations in consistency with national policies and standards; (5) assuring adequate control of documents flowing both to and from the computer system and distributing computer outputs; and (6) providing for effective management information reports including the monitoring of the Student Loan Insurance Fund. The 6 additional people will be responsible for:

--improving coordination activity with lender servicing agencies.
--developing and maintaining supporting collection services with private companies and other governmental agencies.
--providing more complete analysis of programmatic data for the identification of trends and problem areas.
--improving the Student Loan Insurance Fund monitoring activities.
--implementing a reconciliation of the Office of Education's records with those of the lenders.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
2. Planning and evaluation:	$6,858,000	$6,858,000	$9,000,000	+2,617,000
(a) New awards	4,735,000	4,735,000	2,350,000	-1,885,000
Number	30	30	20	- 10
(b) Non-competing continuing awards....	1,648,000	1,648,000	6,150,000	+4,502,000
Number	13	13	13	—
Total	6,383,000	3,383,000	9,000,000	+2,617,000

Narrative

Program Purpose

To determine the impact and effectiveness of Federal education programs and analyze educational problems and policy choices, the Office of Education each year carries out a series of planning and evaluation studies authorized by the General Education Provisions Act, section 411. The findings from these studies provide information that is used to improve program operations within the Office of Education. The data produced by these studies also responds to the Congressional need for accurate information about educational issues.

Evaluation studies are designed to assess how well program operations meet educational needs and objectives, in order to determine which approaches work well and why. Planning studies are typically designed to analyze the available information on a salient educational problem in order to clarify alternative policy choices and recommendations. Normally, studies are carried out by contractors selected through competitive bidding, on the basis of detailed specifications developed by the Office of Education. Executive summaries of the results of these studies are distributed to the Congress, Chief State School Officers and members of the education community. Most studies require more than twelve months to complete.

Plans for fiscal year 1976

To improve our knowledge about program effectiveness and complete Congressionally-required studies, $9,000,000 is requested for this activity. This level will support the continuation of 13 evaluation studies of which 7 are required by the Education Amendments of 1974, as well as about 10 new evaluation and 10 planning studies.

The requested funds will allow major new studies to be started in several areas. For example, a study on the impact of vocational education programs for disadvantaged students will yield information about the effectiveness of Federal efforts in this controversial area. A new study of Federal education programs for Indians will build on a recently-completed analysis by the Office of Education and the Bureau of Indian Affairs in order to assess the impact of Federal dollars. An evaluation of the Teacher Corps will give a reading on the effectiveness of the program's recent shift toward teacher retraining. In addition, major studies of the postsecondary student aid allocation process and the Guaranteed Student Loan Program will be carried out. Findings from these studies will provide useful data for future legislative deliberations.

Accomplishments for fiscal years 1974 and 1975

Fiscal year 1974 funds supported 30 new and 16 continuation studies covering all major program areas within the Office of Education. The results of these studies just became available and are being used as input to legislation, as well as for changes in program guidelines and regulations and improvements in program management.

For example, the study of the Elementary and Secondary Title I formula highlighted the trade-offs involved in changing the then-existing formula. Information from this study provided the basis for alternative formula computations furnished to Congress during the development of the Education Amendments of 1974. A study of the Bilingual Education program, documenting the need for more and better-trained personnel and better materials, was instrumental in the development of the capacity-building strategy reflected in the fiscal year 1976 budget request for this program. A study of compensatory education programs led to the development and operational funding in fiscal year 1975, of "Project Information Packages." This program develops "packages" describing how to replicate successful programs, field tests the packages for possible improvements, and disseminates the final packages to school systems throughout the Nation.

A large part of Planning and Evaluation resources in fiscal year 1975 was devoted to the studies mandated by the Education Amendments of 1974. A total of $ 3,610,000 was devoted to this purpose. Ten studies in all were funded, on the condition of bilingual education, ESEA Title I, cooperative education, bilingual vocational education programs, the status of career education, the National Reading Improvement programs and the effects of late funding of elementary and secondary education programs. Over 30 studies in all are scheduled for completion during fiscal year 1975.

SUPPLEMENTAL FACT SHEET

Planning and Evaluation Studies
Fiscal Year 1976

Area and Title of Study	FY 1976 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
Elementary and Secondary Education				
1. Title I, ESEA Studies:				
a. Evaluation of the Migrant education program..........	1,000,000	Cont'd	Yes	Eval.
b. Survey of SEA/LEA evaluation assistance needs...........	300,000	Cont'd	Yes	Plan.
c. Evaluation of the Title I program for neglected and delinquent children.........	1,100,000	Cont'd	Yes	Eval.
d. Effectiveness of Title I parent Advisory Councils...	250,000	New	No	Eval.
Subtotal, Title I.......	2,650,000			
2. Evaluation of Federal education programs for Indians...........	300,000	New	No	Eval.
3. Evaluation of the impact of the Federal Bilingual education program........................	750,000	Cont'd	Yes	Eval.
4. Study of the condition of Bilingual education in the nation..	100,000	Cont'd	Yes	Eval..
5. Longitudinal study of education demonstration programs........	200,000	Cont'd	No	Eval.
Total, Elementary and Secondary........	4,000,000			
Postsecondary Education				
1. Effects of cooperative education on career development..........	400,000	Cont'd	Yes	Eval.
2. Evaluation of HEA Title III developing institutions programs...	350,000	Cont'd	No	Eval.
3. Study of the impact of student financial aid programs........	500,000	Cont'd	No	Eval.
4. Evaluation of planned variations experiment for the special programs for the disadvantaged in higher education	350,000	Cont'd	No	Eval.
5. Guaranteed student loan program........................	150,000	New	No	Eval.
6. The student aid allocation process........................	250,000	New	No	Eval.
Total, Postsecondary.....	2,000,000			
Occupational, Vocational, and Adult Education				
1. Assessment of Bilingual vocational education programs.....	400,000	Cont'd	Yes	Eval.

	FY 1976 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
2. Vocational analysis of the longitudinal study of the high school class of 1972...	200,000	Cont'd	No	Eval.
3. Comparative effectiveness of various postsecondary systems in vocational training......	300,000	New	no	Eval.
4. Study of the vocational curriculum development program.	200,000	New	No	Eval.
Total, Occupational, Vocational, and Adult......	1,100,000			
Education for the Handicapped				
1. Evaluation of the media services and captioned film program..	300,000	New	No	Eval.
Library Programs				
1. Study of school library media centers...............	300,000	New	No	Eval.
Other Areas				
1. Effectiveness of environmental education programs...........	150,000	New	No	Eval.
2. Analysis of the report by States on uses of Federal education funds.............	500,000	Cont'd	Yes	Plan.
3. Study of 10th cycle teacher corps demonstration models..	300,000	New	No	Plan.
4. Studies conducted by the Assistant Secretary for Planning and Evaluation, DHEW.......................	350,000	New	No	Plan.
Total	9,000,000			
New..................	(2,850,000)			
Continuing..........	(6,150,000)			

SUPPLEMENTAL FACT SHEET

Planning and Evaluation Studies
Fiscal Year 1975

Area and Title of Study	FY 1975 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
Elementary and Secondary Education				
1. Title I, ESEA Studies:				
a. Design of an impact evaluation of the migrant education program..........	$ 300,000	New	Yes	Eval.
b. Analysis of State Title I evaluation reports........	110,000	Cont'd	Yes	Eval.
c. Survey of SEA/LEA evaluation assistance needs...	400,000	New	Yes	Plan.
d. Evaluation of the Title I program for neglected and delinquent children...	500,000	Cont'd	Yes	Eval.
Subtotal.............	1,310,000			
2. Study of the effects of late funding of elementary and secondary education programs.	100,000	New	Yes	Plan.
3. Study of the condition of bilingual education in the nation.......................	400,000	New	Yes	Eval.
4. Evaluation of Title IV of the Civil Rights Act.........	40,000	Cont'd	No	Eval.
5. Longitudinal study of education demonstration programs.......	45,000	Cont'd	No	Eval.
6. Further analysis of ESAP-II evaluation data..............	58,000	Cont'd	No	Eval.
7. Evaluation of ESEA Title III diffusion-adoption strategy..	300,000	New	No	Eval.
Total, Elementary and Secondary........	2,253,000			
Postsecondary Education				
1. Effects of Cooperative Education on career launching and development....	400,000	New	Yes	Eval.
2. Evaluation of the Talent Search and Upward Bound programs......................	45,000	Cont'd	No	Eval.
3. A comprehensive evaluation of HEA Title III, developing institutions, phase II.......	130,000	Cont'd	No	Eval.
4. Development of criteria for institutional eligibility and consumer protection......	200,000	New	No	Plan.

	FY 1975 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
5. Data analyses, loan estimation model............	$ 100,000	Cont'd	No	Plan.
6. Evaluation of the planned variations experiment for the special programs for the disadvantaged in higher education and a related review of the subprogram of educational opportunity centers.........	170,000	New	No	Eval.
7. Census Bureau analysis of current population survey data (1967-1973)............	60,000	New	No	Plan.
8. Higher education national planning model development.	60,000	Cont'd	No	Plan.
9. An examination of select areas of institutional resource management......	15,000	New	No	Plan.
10. Regional review conferences relating to the report of the National Commission on the Financing of Post-Secondary Education.......	25,000	New	No	Plan.
Total, Postsecondary..	1,235,000			
Occupational, Vocational, and Adult Education				
1. Assessment of the status of career education programs, curriculum and materials..	235,000	New	Yes	Eval.
2. Assessment of Bilingual Vocational education programs....................	200,000	New	Yes	Eval.
3. Vocational analysis of first year follow-up data of the national longitudinal study of high school class of 1972..............	175,000	Cont'd	No	Eval.
4. Development of evaluation model for career education	75,000	Cont'd	No	Eval.
5. Assessment of vocational educational programs for disadvantaged students....	350,000	New	No	Eval.
Total, Occupational, Vocational and Adult...	1,035,000			
Right-to-Read				
1. Assessment of the National Reading Improvement Program.....................	150,000	New	Yes	Plan
2. A collection and evaluation of measures of functional adult literacy............	60,000	Cont'd	No	Eval.
Total, Right-to-Read....	210,000			

	FY 1975 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
Education for the Handicapped				
1. Evaluation of educational diagnostic and referral centers for the handicapped	250,000	New	No	Eval.
Library Programs				
1. Study of library network and inter-cooperation programs	200,000	New	No	Eval.
Other Areas				
1. Report by States on uses of Federal educational funds	500,000	New	Yes	Plan.
2. Computer and consultant costs	250,000	Cont'd	No	Plan.
3. Support of policy research centers	(475,000)[1]	Cont'd	Yes	Plan.
4. Assistant Secretary for Planning and Evaluation Department of Health, Education, and Welfare:				
a. Analysis of fiscal year 1973 participation of handicapped children in local education projects	30,000	New	No	Plan.
b. Development of a framework for dissemination	50,000	New	No	Plan.
c. Endowment capital for developing institutions, study of alternatives to HEA, Title III	50,000	New	No	Plan
d. Study of the relationship between State student aid programs and participating colleges and universities	50,000	New	No	Plan
e. Characteristics of eligible non-applicants of Basic Educational Opportunity Grants	50,000	New	No	Plan
f. Development of a research agenda for the national longitudinal study of high school seniors	25,000	New	No	Plan
g. Study of productivity and screening effects of educational attainment	30,000	New	No	Plan.

	FY 1975 Estimated Cost	Continuation or New	Legislatively Mandated	Planning or Evaluation Study
h. Study of special issues in the specification of Title I, ESEA comparability regulations	45,000	New	No	Plan.
i. Analysis of issues in the reduction of racial isolation in the public schools................	50,000	New	No	Plan.
j. Analysis of recent trends in the relative earnings of minority and non-minority populations..	40,000	New	No	Plan.
k. Collection of starting teacher salaries by State..................	25,000	New	No	Plan.
l. Comparison of alternative educational interventions for the educational national priority populations..	35,000	New	No	Plan.
Subtotal..............	480,000			
Total................	6,383,000			
New..............	(4,735,000)			
Continuing....	(1,648,000)			

1/. To be funded by the Assistant Secretary for Education in fiscal year 1976. Shown as a comparable transfer in 1975.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
3. General Program Dissemination				
(a) Dissemination:	$500,000	$500,000	$500,000	$ ---
(1) New awards............	100,000(1)	100,000(1)	250,000(5)	+150,000([illegible])
(2) Non-competing continuing awards...	370,000(4)	370,000(4)	250,000(4)	-120,000(-)
(3) Competing continuing awards..............	30,000(1)	30,000(1)	---	- 30,00[illegible]
Total.......	500,000	500,000	500,000	---

Narrative

Program Purpose

To inform the general public and members of the education community of new educational developments, federally supported education programs and encourage the active participation of all people in improving American education, contracts are awarded to public or private organizations under Section 422 of the General Education Provisions Act. The major thrust is aimed at the widest possible audience. The substance of the projects is derived from Office of Education programs and priority is given those programs which directly support the major objectives of the President as set forth in his State of the Union message, and to those programs which are designated as priorities by the Secretary of Health, Education and Welfare, the Commissioner of Education and the Congress.

Plans for fiscal year 1976

To meet the most critical needs for information on educational opportunities, tentative projects include distribution of a film on changing attitudes and new opportunities in education for women and minorities (produced with fiscal year 1975 funds). Produce a series of radio and TV information spots on student financial aid programs other than basic grants and a series of information spots on metrication. Continue the Advertising Council project to stimulate student interest in seeking technician education and the distribution of several education films.

Accomplishments for fiscal year 1974 and 1975

Funds were not appropriated for General Program Dissemination in fiscal year 1974. Under the Continuing Resolution, however, $117,247 was obligated for prints of the Environmental Education film, which had been produced with fiscal year 1972 funds. The obligation was charged against program administration.

In fiscal year 1975, a film on new and emerging opportunities for women and minorities in education was produced, distribution of several education films was continued, and the Advertising Council campaign to encourage people to seek technical education was continued.

SUPPLEMENTAL FACT SHEET

General Program Dissemination

Proposed Projects - fiscal year 1976	Amount
Distribution of a 20-minute film on new and emerging opportunities for women and minorities in education	$ 75,000
Continuation of Technician Education project to disseminate information on Postsecondary Technical Skills Training (Advertising Council)	75,000
Continuation of Careers Mailing Service--response mechanism for above multimedia project	50,000
Continuation of the distribution of environmental education film	75,000
Continuation of the distribution of early childhood education film	50,000
Series of radio and TV spots on metric education	[illegible],000
Distribution of above spots	20,000
Series of radio and TV spots on Student Financial Aid (other than Basic Grants)	75,000
Distribution of above spots	20,000
	$ 500,000

Projects - fiscal year 1975	
Continuation of distribution of Right to Read Film	$ 40,000
20-minute film on new and emerging opportunities for women and minorities in education	100,000
Continuation of Career Education project using radio, TV, and print media to disseminate information to the public on the availability of postsecondary technical skills training	175,000
Continuation of Careers Mailing Services	30,000
Continuation of distribution of Environmental Education film	100,000
Continuation of distribution of Early Childhood Education film	55,000
	$ 500,000

Projects - fiscal year 1974	
Distribution of prints of the Environmental Education film	$ 117,247

	1975 Estimate		1975 Revised *		1976 Estimate		Increase or Decrease	
	Pos.	Amt.	Pos.	Amt.	Pos.	Amt.	Pos.	Amt.
4. Advisory Committees....	38	$1,141,000	38	$1,681,000	38	$2,041,000	---	+360,000

Narrative

Program Purpose

To advise the Commissioner of Education concerning the administration of, preparation of general regulations for, and operation of educational programs, to effectuate the coordination of programs administered by the Office, make recommendations for changes, both in Federal laws and the administration of the programs, make annual reports of its findings to the Commissioner, the President, Secretary of Department of Health, Education, and Welfare for transmittal to the Congress. These 13 Councils are governed by Part D of the Education Amendments of 1974.

Plans for fiscal year 1976

To insure necessary advice to the Commissioner of Education five Presidential and eight public Committees appointed by the Secretary or the Commissioner of Education and 38 professional and clerical staff to support these committees will be continued in 1976. The increase of $360,000 over fiscal year 1975 will provide full year costs of the three new committees on Career Education, Community Education and the Presidential Committee on Women's Educational Programs authorized by the Education Amendments of 1974. Also additional funds are needed by most of the Committes to support the expanded statutory responsibilities and priorities established by the Commissioner or the Councils.

Accomplishments for fiscal year 1974 and 1975

The Councils on Equality of Educational Opportunity and the Extension and Continuing Education will have completed their evaluation assignments and issued their reports by June 30, 1975. New committee members were selected and initial meetings held on Career and Community Education. The Council on Women's Educational Programs will be selected and the initial meeting will be held. All existing committees have submitted their annual reports on committee findings and recommendations to the Commissioner. Change over of the advisory committee support staff to civil service employees as required by General Audit and General Counsel requirements was completed.

*Proposed reprogramming from the Program Administration activity.

SUPPLEMENTAL FACT SHEET

ADVISORY COMMITTEES

	Authorized by	No. of Members	Appointed by	1975		Revised 1975*		1976 Estimate		Increase or Decrease	
				No. of Positions	Amount	No. of Positions	Amount	No. of Positions	Amount	No. of Positions	Amount
Accreditation and Institutional Eligibility	PL 82-550	15	Commissioner/ Secretary	---	$ 25,000	---	$ 25,000	---	$ 57,000	---	$+ 32,000
Adult Education	PL 91-230	15	President	5	197,000	5	201,000	6	266,000	+ 1	+ 65,000
National Advisory Council on Bilingual Education	PL 89-10	15	Secretary	---		(Funded under Bilingual Education, Authorized by P.L. 93-380)					
Career Education	PL 93-380	12	Secretary	---	---	---	90,000	---	121,000	---	+ 31,000
Community Education	PL 93-380	11	Secretary	---	---	---	85,000	---	150,000	---	+ 65,000
Developing Institutions	PL 92-318	9	Commissioner	---	28,000	---	28,000	---	30,000	---	+ 2,000
Education of Disadvantaged Children	PL 89-10	15	President	8	183,000	8	188,000	8	263,000	---	+ 75,000
Education Professions Development	PL 90-35	15	President	5	148,000	5	152,000	5	191, 00	---	+ 39,000
Environmental Education	PL 91-516	21	Secretary	---	---	---	25,000	---	50,000	---	+ 25,000
Equality of Educational Opportunity	PL 92-318	15	President	3	111,000	3	113,000	---	---	- 3	-113,000
Ethnic Heritage Studies	PL 92-318	15	Secretary	---	---	---	50,000	---	50,000	---	---
Extension and Continuing Education	PL 89-239	12	President	4	---	4	158,000	---	---	- 4	-158,000
Financial Aid to States	Higher Ed. Amendments of 1968	21	Commissioner	---	50,000	---	50,000	---	60,000	---	+ 10,000
National Advisory Committee on Handicapped Children	PL 91-230	15	Commissioner/ Secretary	---	70,000	---	100,000	---	100,000	---	---
Vocational Education	PL 90-576	21	President	13	328,000	13	336,000	13	409,000	---	+ 73,000
Women's Educational Programs	PL 93-380	17	President	---	---	---	80,000	6	294,000	+ 6	+214,000
TOTALS				38	1,140,000	38	1,681,000	38	2,041,000	---	+360,000

*Proposed reprogramming from the Program Administration Activity.

SUPPLEMENTAL FACT SHEET

Advisory Councils

Accreditation and Institutional Eligibility -- (Authorized by P.L. 82-550, as amended, 15 members appointed by the Commissioner with approval of the Secretary)

This committee advises the Commission in fulfilling his statutory obligation to publish a list of nationally recognized accrediting agencies and associations, and a list of recognized State agencies for the approval of nursing education programs, and of public postsecondary vocational education. It also, advises the Commissioner on matters relevant to institutional eligibility for federal funding and to accreditation. Additional funds are needed in 1976 to support expanded committee activities related to the review of, State approval agencies, federal schools, proprietary schools, and appeals from such agencies and institutions.

Adult Education -- (Authorized by P.L. 91-230 and Amendments, 15 members appointed by the President)

The Council advises the Commissioner in the preparation of general regulations with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 306, and policies and other programs offering adult education activities and services. The Council reviews the administration and effectiveness of programs under this title, makes recommendations with respect thereto, and makes annual reports to the President of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to adult education activities and services). The President transmits each such report to the Congress together with his comments and recommendations. Additional funds are requested in 1976 due to the Council's increased statutory responsibility, and priorities established by the Council.

Career Education -- (Authorized by P.L. 93-380, Section 407 of the Education Amendments of 1974, 12 members appointed by the Secretary)

The Council advises the Commissioner of Education with respect to programs of the Division of Education pertaining to the development and implementation of career education, and evaluating their effectiveness in meeting the needs of the Nation. In its report to Congress, the Council will include recommendations for remedial legislation based on a survey and assessment of the current status of career education programs in the United States. Fiscal year 1976 represents the first full year of funding for the Council.

Community Education -- (Authorized by P.L. 93-380, of the Education Amendments of 1974, 11 members appointed by the Secretary)

This Council advises the Commissioner on policy matters relating to the interest of community schools in which the federal government shares in the planning establishing, expanding, and operating of community education programs, and analyzes and evaluates the programs' effectiveness in its Congressional report. Fiscal year 1976 represents the first full year of funding for the Council.

Developing Institutions -- (Authorized by the Higher Education Act of 1965, Title III, P.L. 92-318, 9 members appointed by the Commissioner)

The Council advises the Commissioner of Education on policy matters arising in the administration of Title III of the Higher Education Act of 1965, as amended, by assisting in identifying developing institutions and by establishing priorities and criteria in awarding grants, so the purposes of Title III can best be achieved.

Education of Disadvantaged Children -- (Authorized by ESEA, Title I, P.L. 89-10, as amended, 15 members appointed by the President)

This Committee reviews and evaluates the administration and operation of compensatory education programs at every level, with special emphasis on Title I, ESEA, and reports the effectiveness of these programs to the President and Congress in meeting the needs of disadvantaged children. Increased funding in 1976 is requested due to the increased volume of statutory responsibilities mandated by Section 821 of the Education Amendments of 1974.

Education Professions Development -- (Authorized by Section 502 of the Higher Education Act of 1965, P.L. 90-35, 15 members appointed by the President)

The Council (1) reviews the operation of Title V of the Higher Education Act and of all other federal programs for the training and development of educational personnel, and (2) evaluates their effectiveness in meeting needs for additional educational personnel and in achieving improved quality in training when entering positions in the field of education. The Council also advises the Secretary of Health, Education, and Welfare and the Commissioner of Education with respect to policy matters arising in the administration of this title and any other matters, relating to the purposes of this title, on which their advice may be requested. Additional funds are requested in 1976 to more thoroughly and effectively expand the activities and agenda of the Council.

Environmental Education -- (Authorized by P.L. 91-516, as amended, 21 members appointed by the Secretary)

The Council advises the Commissioner concerning the administration of, and general regulations for, the operation of programs to enhance environmental quality and maintain ecological balance. The committee makes recommendations with respect to the allocation of appropriated funds, with insurance of appropriate geographical distribution of programs and projects throughout the Nation, and evaluates the environmental education programs and projects, publishing and disseminating the results. Fiscal year 1976 represents the first full year of funding for the Council.

Equality of Educational Opportunity -- (Authorized by P. L. 92-318, 15 members appointed by the President)

The Council advises the Assistant Secretary for Education with respect to the operation of the program authorized by the Emergency School Aid Act, including the preparation of regulations and the development of criteria for the approval of applications. It also, reviews the operation of the program with respect to its effectiveness in achieving its purpose, and the Assistant Secretary's conduct in its administration. No funds or positions are requested for fiscal year 1976.

Ethnic Heritage Studies -- (Authorized by P. L. 92-318, of the Education Amendments of 1972, 15 members appointed by the Secretary)

The Council advises the Commissioner of Education in the administration of applicable ethnic heritage study programs, makes recommendations for legislative action and analyzes and evaluates federally funded ethnic heritage programs and projects in its reports to the Congress.

Extension and Continuing Education -- (Authorized by P. L. 89-239, 12 members appointed by the President)

The Council reviews the administration and effectiveness of all federally supported extension and continuing education programs, including community setvice programs and makes recommendations with respect thereto to the President and the Commissioner of Education. No funds or positions are requested for fiscal year 1976.

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Financial Aid to Students -- (Authorized by the Higher Education Amendments of 1968, 21 members appointed by the Commissioner)

This Committee advises the Commissioner of Education, reviews problem areas, evaluates the effectiveness, and makes recommendations regarding the administration by the Commissioner of the programs related to financial aid to students, with emphasis on changes in statutes, regulations, policies, and procedures. The scope of the Council's activities has been increased by recent expanded legislation and its structure has been adjusted to include two operating subcommittees.

Handicapped -- (Authorized by section 448(b) of the General Education Provisions Act, P. L. 91-230, 15 members appointed by the Commissioner with approval of the Secretary)

The National Advisory Committee on the Handicapped reviews the administration and operation of programs under the Education of the Handicapped Act. It also reviews the administration and operation of special institutions (National Technical Institute for the Deaf, Kendall Demonstration Elementary School, Model Secondary School for the Deaf, Gallaudet College, the National Center on Educational Media and Materials for the Handicapped) and advises the Secretary of the Department of Health, Education and Welfare and the Commissioner of Education with respect to these programs and the formulation of new programs for the handicapped.

The Committee was created October 9, 1973 through the merger of the National Advisory Committee on Education of the Deaf, and the National Advisory Committee on Handicapped Children, and has assumed the functions of those two groups.

Vocational Education -- (Authorized by P.L. 90-576, Vocational Education Amendments of 1968, Title I, 21 members appointed by the President)

The Council advises the Commissioner on administration of, preparation of regulations for, and operation of, vocational education programs; reviews administration and operation of programs, including effectiveness in meeting purposes for which they are established, makes recommendations and report findings; conducts independent evaluations of programs, and publishes and distributes results; and reviews duplication of programs at the postsecondary level. The increased request in 1976 is necessary to permit the Council to fully meet its obligations, increased responsibilities, and broadened activities.

Women's Educational Programs -- (Authorized by P.L. 93-380, Section 409 of the Education Amendments of 1974, 17 members appointed by the President)

The Council advises the Commissioner with respect to general policy matters relating to the administration of the "Women's Educational Equity Act of 1974." Recommendations will be made to the Commissioner regarding allocation of any funds, development of appropriate geographical distribution of approved programs and projects throughout the Nation, and the establishment of program priorities. Fiscal year 1976 represents the first full year of funding for the Council.

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
5. Information clearinghouses......	$150,000	$150,000	$300,000	$+150,000
a) New awards..................	150,000	150,000	---	-150,000
Number....................	3	3	---	-3
b) Non-competing continuing awards..................	---	---	300,000	+300,000
Number....................	---	---	3	+3

Narrative

Program purpose

To operate clearinghouses for the collection, analyses and dissemination of information about adult, bilingual, and community education.

These clearinghouses are required by the Education Amendments of 1974.

Each of these clearinghouses will be designed to actively disseminate information about successful products and processes to State and local education agencies as well as the education community at large.

Plans for fiscal year 1976

To provide State and local agencies with information regarding the type of delivery systems best suited to particular settings, the clearinghouse on adult education will make an inventory of innovative practices and products. Initially, the focus of the clearinghouse will be on innovative projects previously funded under the Adult Education Act. The clearinghouse will also emphasize the development of information links between agencies and educators working in the area of adult education, to prevent duplication and enable adult educators to make better use of their resources.

The clearinghouse on bilingual education will have similar goals. This clearinghouse will facilitate the coordination of bilingual dissemination efforts of the Office of Education and the National Institute of Education, in order to get successful bilingual practices into the hands of practitioners in State and local education agencies.

The community education clearinghouse will provide information on what works best in this area particularly regarding the new Community Schools Act, the coordination of community education programs, and training methods for those who will plan and operate the community education programs.

Accomplishments in fiscal years 1974 and 1975

Planning contracts designed to develop specifications for the information clearinghouses will be carried out in fiscal year 1976.

Program Purpose and Accomplishments

Activity: Program administration (GEPA, Sec. 400(d))

1975 Estimate		1975 Revised		1976		
					Budget Estimate	
Pos.	Amount	Pos.	Amount	Authorization	Pos.	Amount
2,873	$91,915,000	2,873	$91,915,000	Indefinite	3,040	$100,684,000

Purpose: To enable the Commissioner to carry out the purpose and duties of the Office of Education such funds as are necessary are provided.

Explanation: This activity provides for personnel salaries and related administrative expenses for all Office of Education programs except for Indian Education which is requested in a separate appropriation.

Accomplishments in 1975: Implemented an agency-wide manpower utilization system to establish manpower resource needs by functional and program activity. Initiated the required studies, changes in programs and reports mandated by the Education Amendments of 1974.

Objectives for 1976: Insure the prudent use and efficient allocations of funds appropriated to the Office. Refine the Management of the Guaranteed Student loan program. Realign authorized positions from activities proposed for termination or phase out to new or proposed expanded activities.

Activity: Planning and evaluation (General Education Provisions Act, Section 411)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$6,383,000	$6,383,000	$25,000,000	$9,000,000

Purpose: To determine the impact and effectiveness of Federal education programs and analyze educational problems and policy choices, the Office of Education each year carries out a series of planning and evaluation studies authorized by the General Education Provisions Act, Section 411. The findings from these studies provide information that is used to improve program operations within the Office of Education. The data produced by these studies also responds to the Congressional need for accurate information about educational issues.

Explanation: Studies are carried out by contractors selected through competitive bidding, on the basis of detailed specifications developed by the Office of Education. Executive summaries of the results of these studies are distributed to the Congress, Chief State School Officers and members of the education community. Most studies require more than twelve months to complete.

Accomplishments for 1975: A total of $3,610,000 was used for the studies mandated by the Education Amendments of 1974. Additional studies were conducted in areas such as cooperative education, bilingual vocational education, and reading programs. Over 30 studies are scheduled for completion during 1975.

Objectives for 1976: The request will support the continuation of 13 evaluation studies, of which seven are required by the Education Amendments of 1974, and about 10 new evaluation and 10 planning studies. The new studies will be in the areas of Indian education, Teacher Corps, postsecondary education, and vocational education.

Activity: General program dissemination: Dissemination (GEPA, Sec. 422)

1975	1975	1976	
Estimate	Revised	Authorization	Budget Estimate
$500,000	$500,000	Indefinite	$500,000

Purpose: Inform the widest possible audience of new educational developments, the condition and progress of education, federally supported education programs and the effectiveness of such programs through the press, radio, television and related media systems. Priority is given those programs most directly supporting the administration's major objectives.

Explanation: Projects are performed under contract with public or private organizations, groups or individuals and monitored by Office of Public Affairs staff. Responses to request for proposals or invitations for bid are reviewed by Office of Education staff.

Accomplishments in 1975: One new project was undertaken in fiscal year 1975, the production of a 20-minute film on new and emerging opportunities for women and minorities in education, including prints. Five projects were continued from previous fiscal years. Three films on the right to read, early childhood education, and environmental education continued to be distributed on a free loan basis. The multimedia information campaign to encourage people to consider a technical education instead of a four-year liberal arts education was also continued, along with the response mechanism for dissemination of materials.

Objectives for 1976: Respond to agency priorities or to Office of Public Affairs' commitments to support specific programs which cannot affort to mount information campaigns with their own resources. Tentative new projects include the distribution of the film on opportunities in education for women and minorities; production of a series of radio and television spots on metrication; a series of radio and television spots on student financial assistance programs other than the basic grants program; and the distribution of these two series of spots. Several projects funded in previous years may be continued, depending upon continuing interest. These include the project with the Advertising Council to stimulate student interest in seeking technical education and the distribution of several education films.

Activity: Advisory Committees (GEPA, Part D)

1975 Estimate		1975* Revised		1975		
				Authorization	Budget Estimate	
Pos.	Amount	Pos.	Amount		Pos.	Amount
38	$1,140,000	38	$1,681,300	Indefinite	38	$2,041,400

Purpose: To support the activities of Advisory Councils, travel of and compensation for members, to provide special professional, clerical or technical assistance to support committee activities and to finance publication and dissemination of committee findings and recommendations.

Explanation: Advisory Committees serving the Office of Education are created by the Congress or established by the Executive Branch to provide expert advice with respect to programs administered by the Commissioner.

Accomplishments in 1975: Public committees provided advice relative to a majority of Office of Education administered programs during fiscal year 1975. In addition to carrying out specialized evaluation projects, advised the Office on preparation of regulations for the administration of educational programs and reviewed criteria for funding applications for various projects.

Objectives for 1976: Review and assess the Office of Education administered programs, report their activities, findings and recommendations to the Commissioner, the Congress and/or the President at the conclusion of the year.

*Proposed reprogramming from the Program Administration activity.

Activity: Information clearinghouses (Education Amendments of 1974)

1975 Estimate 1/	1975 Revised 1/	1976 Authorization 2/	1976 Budget Estimate
$150,000	$150,000	$17,250,000	$300,000

1/ Proposed reprogramming from program administration.
2/ Includes authorization for other activities in the bilingual education and gifted and talented activities.

Purpose: To operate clearinghouses to collect, analyze and disseminate information about adult, bilingual, and community education.

Explanation: Contracts are made to public and private agencies and organizations to establish and operate the clearinghouses.

Accomplishments in 1975: Planning contracts designed to develop specifications for th the clearinghouses will be awarded.

Objectives for 1976: The planning phase will be completed and the three clearinghouses will become operational.

New Positions Requested

	1976		
	Grade	Number	Annual Salary
Guaranteed Student Loan Program			
Program Compliance Specialist	GS-11	1	$ 15,481
Field Examiner	GS-9	6	77,046
Program Assistant	GS-9	1	12,841
Assistant Field Examiner	GS-7	14	147,280
Claims Examiner	GS-7	9	94,680
Program Assistant	GS-7	2	21,040
Secretary	GS-6	1	9,473
Program Assistant	GS-5	32	272,000
Secretary	GS-5	3	25,500
Clerk-Typist	GS-5	2	17,000
Billing Clerk	GS-4	27	205,092
Clerk-Steno	GS-4	7	53,172
Clerk-Typist	GS-4	2	15,192
Clerk-Typist	GS-3	10	67,640
Subtotal		117	1,033,437
Innovative and Experimental Programs			
Program Manager	GS-15	4	119,272
Arts Education Specialist	GS-14	1	25,581
Senior Program Specialist	GS-14	1	25,581
Education Program Specialist	GS-13	4	87,264
Education Program Specialist	GS-12	1	18,463
Education Program Specialist	GS-11	9	139,329
Administrative Assistant	GS-9	2	25,682
Program Assistant	GS-7	7	73,640
Secretary	GS-6	11	104,203
Secretary	GS-5	1	8,500
Clerk	GS-4	1	7,596
Subtotal		42	635,111
State Student Incentive Grant Program			
Education Program Specialist	GS-14	2	51,162
Education Program Specialist	GS-13	2	43,632
Program Assistant	GS-9	2	25,682
Secretary	GS-5	2	17,000
Subtotal		8	137,476
Total new positions, all activities		167	1,806,024

Salaries and Expenses

Estimate for July 1 - September 30, 1976 period

Obligations by Activity

Activity	1976 Estimate	Estimate July 1 - Sept. 30, 1976
Program administration	$100,684,000	$24,071,000
Planning and evaluation	9,000,000	60,000
General program dissemination	500,000	---
Advisory committees	2,041,000	512,000
Information clearinghouses	300,000	---
TOTAL	$112,525,000	$24,643,000

Justification

Interim Period: July 1 - Sept. 30, 1976

Salaries and Expenses

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
1. Program administration	$100,684,000	$24,071,000

Narrative

The amount requested in the interim budget represents level funding for 3,040 personnel and related costs for the 66-day interim period.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
2. Planning and evaluation	$ 9,000,000	$ 60,000

Narrative

During the interim period, no major studies will be funded. This request will cover data processing costs and some small purchase orders normally occurring in the beginning of the fiscal year.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
3. General program dissemination	$ 500,000	$ ---

Narrative

No funds are required for this activity during the interim period. Any distribution of films at this time will be funded late in fiscal year 1975. Film production and public service announcement production will be done in fiscal year 1977.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
4. Advisory committees	$ 2,041,000	$ 312,000

Narrative

The amount requested will provide level funding for the support of 13 advisory committees. This includes support for 38 personnel assigned as committee staff on the five Presidentially-appointed advisory councils. These are for adult education, education of disadvantaged children, education professions development, vocational education and women's education.

	1976 Estimate	Estimate for July 1 - Sept. 30, 1976
5. Information clearinghouses	$ 300,000	---

Amounts appropriated in fiscal year 1976 will fund the clearinghouses during the interim period. No additional funds are required during the interim period.

SUBCOMMITTEE RECESS

Senator **Brooke**. The subcommittee will stand in recess until this afternoon at 2 p.m., when we will take up the National Institute of Education.

(Whereupon, at 12:35 p.m. the subcommittee was recessed, to reconvene at 2 p.m., the same day.)

[AFTERNOON SESSION, 2:20 O'CLOCK, THURSDAY, MARCH 20, 1975]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

NATIONAL INSTITUTE OF EDUCATION

STATEMENT OF EMERSON J. ELLIOTT, ACTING DIRECTOR, NATIONAL INSTITUTE OF EDUCATION

ACCOMPANIED BY:

- **RALPH BESSE, MEMBER, NATIONAL COUNCIL ON EDUCATIONAL RESEARCH**
- **SENTA RAIZEN, ASSOCIATE DIRECTOR, DISSEMINATION AND RESOURCES**
- **ERNEST RUSSELL, ASSOCIATE DIRECTOR, ADMINISTRATION**
- **JOHN CHRISTENSEN, BUDGET OFFICER, PLANNING AND MANAGEMENT**
- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, BUDGET**

BUDGET REQUEST

Senator FONG [presiding]. The subcommittee will come to order.

Next, we will hear testimony on the National Institute of Education. The budget request here is for $80 million, an increase of $10 million over last year's appropriation.

Mr. Elliott has been filling in for the last 6 months while we have waited for the new director. He is here to give us the rationale for NIE's budget.

Mr. ELLIOTT. Thank you very much, Mr. Chairman.

If I might, I will first introduce the people who are accompanying me. On my immediate right is Mr. Ralph Besse, a member of our policy council, the National Council on Educational Research. John Christensen is our budget officer; Senta Raizen, who heads our dissemination program which is a major part of our budget; and Ernest Russell who heads our Office of Administration.

On my left, you know Mr. Miller, of course.

Mr. Chairman, I would like to read a portion of my statement.

PREPARED STATEMENT

Senator FONG. Your statement will be put in the record.

[The statement follows:]

Mr. Chairman and members of the subcommittee, I am happy to be here today to explain the request of the National Institute of Education for $80,000,000 in Fiscal Year 1976, this request represents an increase of $9,644,000 above the Fiscal Year 1975 revised budget of $70,356,000. The programs which would be carried out by our request mark significant changes in both emphasis and direction for the Institute—changes that we believe make NIE more responsive to Congressional concerns.

Our program emphasizes first, the dissemination to local schools and State education agencies of proven new techniques and practices and, second, the search for solutions to a limited number of specific problems facing American education. The search for solutions will focus on four areas:

One: The process of teaching, learning and measuring basic education skills, particularly reading.

Two: School finance, productivity and management.

Three: The relationship between education and work.

Four: Assisting schools in providing more adequate education for many students who have been unfairly limited by their ethnic or language background, sex or poverty. We entitle this "education equity".

The Institute plans to devote approximately 60 percent of its total budget request to these four problem-solving programs and 23 percent to our dissemination program.

DISSEMINATION

An amount of $18,343,000 is requested for Fiscal Year 1976 to support efforts to disseminate promising new ways of teaching and learning or improved methods of managing schools. This is a significant $12,472,000 increase over the Fiscal Year 1975 spending level. Past efforts to make research and development products and techniques widely useful to teachers and administrators have often not succeeded. Effective links between education researchers and classroom teachers have been largely missing. The Institute will launch an expanded dissemination effort to strengthen direct personal contacts among existing organizations, such as State education agencies, "intermediate" school service districts and professional education association networks. We do not propose to establish any new nationwide system of communications within the education community. Instead we intend to strengthen existing means of imparting information, providing training and technical assistance, relying on the credibility and effectiveness of long-established communications channels. The Fiscal Year 1976 dissemination program will fund projects involving approximately 40 States, 450 local education agencies, and 2,500 education personnel who provide dissemination services.

BASIC SKILLS

Requested for Fiscal 1976 is $13,913,000 to acquire knowledge that can help children obtain the basic skills—especially reading comprehension—they need to function effectively in our society. While research in the past twenty years has led to improved teaching methods and instructional materials for children in the first three grades, developing a full understanding or comprehension of what they read is a major problem for an estimated 20 million Americans who can barely complete applications for unemployment benefits or bank loans or make out their income tax returns. The burden falls more heavily on poor and minority families. Studies to combat this problem will use the latest in research findings and new developments. They will provide resources for teachers to help children in grades 4 through 6 develop basic comprehension skills.

EDUCATIONAL EQUITY

As you are aware, the States are responsible for education of American children. The Institute's Educational Equity program will help schools provide more meaningful education programs for the many students who are unfairly limited in their educational options because of their home language and culture, ethnic and racial background, sex or economic status. For example we know that of the estimated 50 million children in schools, six million are from non-English-speaking families. Eighty percent of the proposed Educational Equity budget of $5,438,000 is designed to improve bilingual and multicultural programs in both elementary and secondary schools.

EDUCATION AND WORK

Few issues have held the sustained attention of the American public as has the relationship between education and work. A recent Gallup Poll reported that more than 90 percent of the students and adults surveyed wanted more job-oriented education. A major observation of several recent studies of the American high school has been that schools are too removed from the community and students are too isolated from individuals in other age groups. Our Education and Work Program seeks to close the gap between education of our youth and adult work experiences and responsibilities. It will develop ways students can gain meaningful work experience as part of their formal education without jeopardizing any adult's job. Additionally, proposed projects will concentrate on improving and expanding guidance, counseling and placement services for students of all ages. The budget requests $9,908,000 for the Education and Work Program in fiscal 1976.

FINANCE, PRODUCTIVITY AND MANAGEMENT

We find today that the ability of educational agencies at all levels to provide efficient and effective services is threatened by shifting enrollment, rising costs and court requirements for new distributions of educational funds. In Fiscal Year 1976 the Institute plans to devote 23 percent of its budget, or $18,301,000 to issues in *Finance, Productivity and Management*. Our activities will help schools and school systems develop better approaches to planning, decisionmaking and management to meet demands for improved performance and greater diversity of programs while reducing rising costs. They will also provide for (1) close work with school finance policy-makers to develop analyses of school finance reform issues and (2) examination of questions States face as they debate competency-based education, where education credits are based on the skills and knowledge individuals have actually acquired.

PROGRAM DIRECTION AND ADMINISTRATION

To carry out our programs for fiscal 1976, the Institute is requesting $10,700,000 to support 340 full-time permanent staff, the National Council on Educational Research and related support services. Our staff will carry out the planning of programs, seeking advice from the educational community; will announce competitions, review proposals and monitor grants and contracts and make information available on its activities. Administrative expenses will also maintain the library and computer research facilities and a fellows program which bring expert researchers and school personnel to the Institute on a short-term basis to develop and carry out specialized research activities.

In summary, Mr. Chairman, our budget submission to you requests $80,000,000 for Fiscal Year 1976 to support activities to bring the results of research, development, and exemplary practice to use in the schools and to seek solutions to four major problems in education. Mr. Besse and I will be happy to answer any of your questions.

SIGNIFICANT CHANGES IN PROGRAMS

Mr. **ELLIOTT**. I have a few summary points, and Mr. Besse will make a few comments.

Mr. Chairman and members of the subcommittee, I am happy to be here today to explain the request of the National Institute of Education for $80 million in fiscal year 1976, an increase of $9.644 million above the fiscal year 1975 revised budget of $70.356 million. The programs upon which this request is based mark significant changes in both emphasis and direction for Institute activities, changes that we believe make the Institute more responsive to congressional concerns and also more responsive to the concerns of the educational community.

Before highlighting these programs and describing the problems they are designed to address, I would like to introduce Mr. Ralph Besse, a member of the Presidentially appointed National Council on Educational Research, the Institute's policymaking body. With your permission, he has a short statement outlining how the fiscal year 1976 budget was developed. His biographical sketch has been supplied to the subcommittee.

Mr. **BESSE**. Thank you, Mr. Chairman for the opportunity to be here to speak on the fiscal year 1976 budget request. Our chairman, Mr. John Corbally, the president of the University of Illinois, could not make this session because of prior commitments, so I am pinch-hitting.

Senator **FONG**. How old is the Institute?

Mr. **ELLIOTT**. The Institute was established in 1972.

Mr. **Besse**. The National Council on Educational Research was established in the summer of 1973.

Senator **Fong**. Two years old.

Mr. **Besse**. That is right.

The National Council on Educational Research, after discussing the issues involved in this budget for several months, has unanimously adopted a program which is reflected in this budget and which we believe will make a strong contribution toward improving the quality of education for all Americans throughout the country.

The proposed budget is, we think, responsive to the needs that have been reflected to us, both by the Congress and by our professional constituencies. We have before you a request which rather clearly and succinctly sets forth both the justification and the past achievements in this field.

This program is a national agenda, and has been derived from many sources, including expressions of State and local needs by educators, by researchers, by policymakers, by educational associations, many of whom have counseled the Institute over the past 18 months and frequently have participated in the development of these individual activities.

In the Council's deliberations much focus was placed on congressional concerns which were expressed during the fiscal year 1975 appropriation process and on the public policies which were identified in the educational amendments of 1974.

In responding to all these expressions the Council adopted by resolution, again unanimously, two major objectives for fiscal year 1976. The first is to bring the results of research, development and exemplary practice to more widespread use in the schools throughout the Nation. The second is to seek solutions to four specific problem areas that confront American educators which we rate highest on the priority list for our attention.

Mr. Elliott will continue his statement in highlighting the nature and characteristics of these programs that have been adopted by the Council.

DIRECTOR

Mr. **Elliott**. Mr. Chairman, a few moments ago you inserted the entire text of my statement in to the record. What I would like to do is just bring to your attention a few of the really major points about the Institute and where it is at this time. I wish very much that it were possible for me to come to you today and say that there was a Director newly named by the President. I cannot do that. I will recall Mrs. Trotter's statement here at this table several days ago, in which she said a tentative selection has been made and a security clearance is now well underway and hopefully nearing completion.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

I will, however, tell you that the National Council on Educational Research, which is our policymaking body and not just a usual Government advisory group is fully installed and in place. Mr. John Corbally, who is the president of the University of Illinois, is the chairman of that group. The Council has met frequently to review policy, as Mr. Besse has just told you. They also oversee the operation of the Institute, and they are fully functional. They have developed and considered the program that is now before you.

AUTHORIZING LEGISLATION

In addition to that, the Institute's authorizing statute is coming up for renewal. The Administration on Monday of this week has transmitted to the Congress a bill that would continue that authorization for an additional period.

PROPOSED 1976 PROGRAM

The program itself, as Mr. Besse has said, is significantly different. It is intended to be a new program which is responsive to the Congress. The Congress asked last year in its committee reports that we be more goal-oriented. We are more goal-oriented in that we are turning, as Mr. Besse said a few moments ago, to seek solutions in American education and to bring the results of education R. & D. to the public. Our dissemination activities which were a specific concern of the Congress, have been tripled in our fiscal year 1976 budget proposed compared to fiscal 1975.

In seeking solutions to problems, the areas that we are addressing are basic skills, primarily reading; issues of finance, productivity, and management in education; the relationship between education and work; and an area that we call educational equity, where we try to assist the schools in meeting their own responsibilities for people who have suffered in the past because of their ethnic or language backgrounds, sex, or poverty.

SENATE COMMITTEE REPORT

I would like at this point to draw the attention of this committee to pages 8 and 9 of the formal justification which in some considerable detail talks about those items that were mentioned in the Senate committee report last year for guidance of the Institute.

For example, the Senate committee report specifically asks the Institute to study school finance. The budget program which we have before the committee does include funds in both fiscals 1975 and 1976 for school finance. The Senate specifically talked about a series of other programs and a series of projects that are laid out on those two pages, of the formal justification. In each case, our 1976 program is responsive to those concerns.

I think that the wisdom of the Senate in pointing out those concerns in the goal oriented direction has been supported by the major educational associations which are now endorsing our proposed $80 million program for fiscal 1976.

Mr. Chairman, we would be very pleased to answer any of the committee's questions.

STAFFING

Senator Fong. Do you have your office fully staffed now?

Mr. Elliott. Yes, sir, we have, and actually our proposal before you would reduce the Institute's staff. At the time we first began in 1973 and 1974, the administration was proposing a much larger budget, and we anticipated a larger program. We are trimming back our staff consistent with the size of operation that we now have.

SALARY LIMITATION

Senator **Fong**. Last year the Congress was concerned over some of the high salaries being collected by NIE grantees, and we placed some rather strict limitations on this. Are you following these limitations?

Mr. **Elliott**. Yes, sir. We have inserted the clause in every contract requiring that no one in a lab, center, or project that is directly assisted, as the language reads, receives more than a $36,000 salary. No one has refused to sign that contract.

We will, as we monitor the performance of those contracts, find out actually what has happened, but everyone has signed the contract so far.

Senator **Fong**. No one receives more than $36,000?

Mr. **Elliott**. That is correct.

Mr. **Russell**. We did find out that one grantee was earning in excess of $36,000 and that was brought to their attention.

Senator **Fong**. Not to exceed $36,000?

Mr. **Elliott**. Before you leave that point I should explain that the administration has proposed elimination of that language. I would like to make a further comment. The National Science Foundation has conducted a study of the salaries of the individuals who perform the kind of work that the Institute is engaged in. It is our understanding that approximately 15 percent of the Ph. D. researchers in the fields of interest to the Institute now receive salaries in excess of $36,000 a year, and NIE is effectively precluded from making awards to these individuals.

Our proposal is that that clause be eliminated.

Senator **Fong**. I can see the dilemma you are in. We are in the same dilemma here in Congress. I, for one, as ranking minority member of the Civil Service and Post Office Committee, have been trying to lift that ceiling of $36,000. We are now finding that a GS-15, GS-16, GS-17, and GS-18 are all in that same range. The Members of Congress have been very squeamish in this respect, and all I can say is that there is a little light shed upon the question now. The leadership is willing to let them come in on the comparability statute, and those who are receiving $36,000 and also Members of Congress would get a cost of living allowance which would be comparable to what the comparability allowance will be given to the Government employees. Hopefully, at least that will go into effect.

I can see your dilemma here. The committee will really work on that.

Mr. **Elliott**. Thank you.

DISSEMINATION ACTIVITIES

Senator **Fong**. You propose that we stay with the dissemination program. In fact you want to triple that program over last year's $6 million level. Specifically which States have asked you for help?

Mr. **Elliott**. I would like to direct that question to Ms. Raizen, who is responsible for our dissemination activities. We have been working with the States, and before us the Office of Education, for many years on the question of how can the results of R. & D. be put into practice. I would say it is unanimous among the States that they are a very key actor in that process—not the sole actor, but a very key actor—and they are all participating with us.

Senator Fong. I think I brought that question up the last time, that we should disseminate as much as we can.

Ms. Raizen. Yes; and I think we have been responsive to that view.

I would like to explain that all our programs are competitive programs. In no case would there be an allocated amount of money divided up on a formula basis among all 50 States. In the program that we are undertaking, we expect to receive proposals from almost 50 States, and then it is going to be a question of how well their plans are formulated, what kind of progress they expect to make, the feasibility of what they propose to undertake, what they have in the State to bring to the effort, which will decide how the funds will be allocated.

We have several programs, and among them we expect some assistance will be made available for building dissemination programs in two-thirds or more of the States. In subsequent years, if we can continue these activities, we expect to be working with most of the States, but we are administering competitive programs.

Senator Fong. Are you receiving fees from those to whom you disseminate your programs?

Ms. Raizen. There is not any formula-based sharing involved, but we expect the States will come forward to tell us what capacity on their side they will contribute. All these programs are really cooperative development programs to increase the States' ability to disseminate and help schools use R. & D. information. We do not expect to continue these programs forever. We expect the States to build capacity and then to continue what they have built up on their own, and we do have experience in doing that.

Senator Fong. Once you complete a program, how do you disseminate that to the other States?

Ms. Raizen. As I say, we will be working both with individual States and also with interstate networks, so that the networks which go across States will be taking the best that is inventive or innovative in one State to other States.

Senator Fong. In disseminating that to all the States, you are disseminating that at the expense of the Federal Government. You are not asking for money?

Ms. Raizen. We think there is always going to be a role for the Federal Government in cataloging, putting together the knowledge that is developed as a result of Federal investment in research and development, also what the local systems and the States themselves develop. There will always be a role for the Federal Government to make this knowledge base available.

What we are attempting to do now is build within the States a system that will be able to take that knowledge and actually apply it at the local school level.

Senator Fong. What I am asking you is this: After you have the knowledge and you have pulled it all together in a book, that book you will send out. Will that be free of charge to any group that wants it?

Ms. Raizen. Probably not. I do not know that I really can respond to that because our mechanisms of providing access to information include many things besides books. Where there are printed informational materials involved, probably a limited number will be made available free, to the States certainly.

There are 17,000 local school systems. Some materials will perhaps go free to each of the local school systems. Beyond a certain point, we probably will have to cut off free distribution. If it is something published through GPO, they will make a charge. We also try to work with the private sector where that dissemination capability exists. For example, in the textbook field, we feel it is not the Federal Government's place to compete with the private sector by free distribution.

When experimental curriculum materials for example reach the state where they are publishable, then the private sector does take over.

Mr. **Besse**. I do not know the mechanics of the distribution, but I can give you a case study of the impact of this. Just yesterday, I called Dr. Margaret Fleming, who is the head of a small research unit of the public schools of the city of Cleveland, and asked her this specific question. What benefit was she getting from the Federal program in educational research? She replied, one of the most significant things that has happened since Federal intervention in the field which you know is not very old, is that in the early stages of her career she said it took 25 to 50 years, believe it or not, for a good deal of educational research to reach the practitioner. They are now getting it very promptly, and she said, this has been one of the greatest impacts of the new thrust of research support by the Federal Government. She was very appreciative for it.

DISSEMINATION OF MATERIALS

Senator **Fong**. Up until today, how many publications have you issued? Or how many pamphlets or bulletins or whatever other materials have you disseminated? Could you provide that for the record?

Ms. **Raizen**. Yes, I will.

[The information follows:]

Dissemination Results

NIE's Office of Dissemination and Resources supports a range of dissemination activities designed to inform teachers, administrators and education policy makers about the outcomes of educational R&D. Included among these are the following:

- The ERIC System, which reaches educators through
  - 13 million annual sales of microfiche copies of education documents;
  - 5,600 subscriptions to Research in Education (RIE) which announces timely report literature and recently completed research results;
  - 2,300 subscriptions to the Current Index to Journals in Education (CIJE) which indexes important articles appearing in over 600 education and education-related journals;
  - the answering of 100,000 questions annually from the clients of the ERIC systems 16 clearinghouses;
  - cooperative programs with numerous professional organizations, representing a membership of 4.1 million;
  - the development and dissemination to date of over 150 information analysis publications which provides the "state of the art" on selected educational topics and present research findings in language geared to educational practitioners.
- The development and dissemination of school-oriented studies, which provide research findings in selected areas in brief, readable reports designed for teachers and administrators. This effort was begun in the Office of Education, where a series of 40 PREP ("Putting Research into Educational Practice") Kits were distributed widely through State Education Agencies and the Government Printing Office.
- The publication of catalogs describing available curriculum materials, e.g., the ALERT Sourcebook of Elementary Curricula Programs and Projects published by GPO in the fall of 1972 and distributed to some 5,000 educators throughout the nation. NIE will publish in the fall of 1975 a catalog describing over 400 NIE-sponsored products. This catalog will be made available to every school district in the nation, to members of Congress and to the public at large.
- The distribution of a catalog of career education products to be made available to State and local education agencies and others concerned with career education.

NIE's Office of Public Affairs also participates in the Institute's dissemination effort in several ways:

- By publishing a quarterly newsletter reviewing NIE-funded R&D activities. This newsletter is distributed to 20,000 persons across the country, including all members of Congress, key Congressional staff members, all Chief State School Officers, major education associations, State government leaders including key legislators and all governors, key education administrators and researchers, and selected teachers and parents;
- By publicizing, through news releases and news conferences, final reports of NIE contracts and grants. A total of 300 general circulation and education periodicals are contacted and copies of news releases are also distributed to 1,000 key education leaders;
- By displaying at annual meetings of professional organizations such as the American Association of School Administrators and the American Educational Research Association an exhibit of NIE-funded products and practices.
- By distributing timely reports on NIE-funded studies and conferences, such as the recently-completed comparison of State education laws by the Lawyers Committee for Civil Rights Under Law distributed to 4,000 State and Federal Government Officials, and reports on NIE-sponsored conferences on teaching and reading distributed to 4,000 teachers, researchers, administrators and professional organizations.
- Reprints of selected articles from American Education on R&D topics of current interest.

In addition to the Institute's own dissemination efforts, individual contractors and grantees disseminate widely the outcomes of their R&D efforts. For example, informational or promotional materials have been made available by developers for approximately 85% of NIE-funded products, and many of these developers have presented briefings on their products, made trial materials available to potential users, and conducted major field trials and demonstrations.

EDUCATION AND WORK PROGRAM

Ms. **Raizen**. Let me give you a couple of recent statistics now. We have identified some 500 products that are about ready, some of them started before NIE came into existence and when R. & D. was carried out by the Office of Education. These products very shortly will all become available to the schools.

Another mechanism that Mr. Besse has mentioned is an information system for all research in education. That system, ERIC gets used 10 million times a year, responding to 10 million inquiries that have been recorded that we know about. It is an amazingly wide system, and we can give you more statistics on it.

Senator **Fong**. Yes; you are requesting a $10 million cut in the educational work program. Have you achieved your objectives, or are you just phasing out the program?

Mr. **Elliott**. I would not say, Mr. Chairman, that we are either phasing out the program or that we have achieved our objectives. The fact is a very major part of the total funding for education and work has been with the Mountain Plains project, which has been supported, now, for 5 years, and is reaching the last of its research and development stages with its final 6 months of funding in fiscal 1976.

The Department of Labor, at the request of the committee, has sent an initial letter to the committee regarding potential ways that funds may be derived from other sources. So the total funds in the NIE budget would be supplemented by such funds as might be provided from other sources and the project would continue.

The total funding within education and work actually provides for almost $2.5 million for beginning new activities. What we intend to do is bring more closely together youth and work place experiences. Many reports that have been made over the last several years about youth growing up in America have concluded that there has been far too much separation between youth and adults. Students are isolated in institutions too much apart from society and the real world of work; may lack opportunities to learn the way things really operate. That deprives them of an important base of experience from which they can learn more about themselves, and learn what kinds of things they might be good at, and what kinds of things they might like to do in their own career.

Our activities for this $2.5 million in new money will help us to expand the ways to provide nonpaid work experience for youth and to improve guidance and counseling.

EDUCATIONAL RESEARCH AND DEVELOPMENT CENTERS

Senator **Fong**. Why are you proposing to phase out research and development centers? They were here long before NIE showed up, and they may be the only bright spot in this area.

Mr. **Elliott**. We certainly are not proposing to phase out either the education R. & D. centers or the regional laboratories. These institutions which, at the moment number some 16 or so, as you point out, were started some time ago. The regional laboratories private, non-profit corporations; the R. & D. centers are part of the universities where they are located.

Senator **Fong**. Where are they located?

Mr. **Elliott**. I would be glad to supply that for the record.

[The information follows:]

Locations of the Labs and Centers

Appalachian Education Laboratory
Charleston, West Virginia

Center for Educational Policy and Management
Eugene, Oregon

Center for Vocational Education
Columbus, Ohio

Central Midwestern Regional Education Laboratory
St. Louis, Missouri

Center for the Study of Evaluation
Los Angeles, California

Center for the Social Organization of Schools
Baltimore, Maryland

Demonstration and Research Center for Early Education*
Nashville, Tennessee

Far West Laboratory for Education Research and Development
Berkeley, California

Learning Research and Development Center
Pittsburgh, Pennsylvania

Mid-Continent Regional Education Laboratory
Kansas City, Msssouri

National Center for Higher Education Management Systems
Boulder, Colorado

Northwest Regional Education Laboratory
Portland, Oregon

Research for Better Schools
Philadelphia, Pa.

Research and Development Center for Teacher Education
Austin, Texas

Southwest Educational Development Laboratory
Austin, Texas

Southwest Regional Laboratory
Los Alamitos, California

Stanford Center for Research and Development in Teaching
Stanford, California

Wisconsin Research and Development Center for Cognitive Learning
Madison, Wisconsin

*This organization is not one of those established under the Cooperative Research Act of 1965, but the programs supported there were originally part of the National Program on Early Childhood Education administered by the Central Midwestern Regional Education Laboratory through fiscal 1973.

Mr. Elliott. The decision whether an institution would continue is not up to us but up to the institution, its governing board or the university. It is our expectation that a substantial amount of the Institute's budget, a quarter at least, will still continue to go to the laboratories and centers because they have very many capabilities that coincide with priorities in the program that Mr. Besse and I have been describing.

Senator Fong. Are these centers fully funded by NIE?

Mr. Elliott. We called them "dependent" in the past, and in some cases the funding has been as much as 95 percent or higher. In other cases it drops to a third or less. The institutions differ very much and the funding patterns are different. On the average, 80 percent of the funds for trust institutions currently are derived from NIE.

REAUTHORIZATION

Senator Fong. What changes are you planning in your reauthorization legislation? Obviously, one of the major problems with NIE is the basic law was much too general. Why should we appropriate any more while this still exists?

Mr. Elliott. The proposal you mention, the administration's reauthorization proposal just transmitted to the Hill, is based on the same goal-oriented categories recommended in the budget program. Our intent is to discuss with the Congress, both of the Appropriations Committees and authorizing committees, the major direction for the Institute. We think one direction should be to seek solutions for major problems in education that we have been discussing here today—dissemination of research results, basic skills, and education and work, educational equity, and finance, productivity, and management. If the authorizing committees and the Appropriations Committees both entered into this kind of discussion, so both the authorizing statute and the Institute's program would then be brought into agreement around these important problems in American education.

Senator Fong. When do you hope to get your legislation in NIE enacted?

Mr. Elliott. Certainly that is up to the Members of the Congress. It has been transmitted by the administration. However, we do have an automatic extending provision that continues our authorizations through June of 1976. It may be that Congress will decide it takes more time than this next June to complete action on this bill.

QUESTIONS SUBMITTED BY SENATOR STEVENS

Senator Fong. Senator Stevens has a set of questions for NIE. Would you submit the answers to these?

Mr. Elliott. We would be delighted to do that.

Senator Fong. Thank you very much.

[The questions and answers follow:]

Question. I would like to know the status of the National Council on Educational Research?

Answer. The National Council on Educational Research, NIE's policymaking body, presently has 13 members. The Council has been taking an active role in establishing the policies and priorities for programs included in the Institute's budget for Fiscal Year 1976. It has been meeting almost monthly and has met, on occasion, at sites across the country to gain a better understanding of the educational needs of American children.

Question. Are there any vacancies on that Council at the present time?

Answer. Yes, Senator. At present there are two vacancies on the NCER. On March 14th, the President sent to the Senate the nomination of Mr. Edward Booher, President of Books and Education Services Group of McGraw Hill, Inc. to fill one of these openings. The White House has made no announcement on the 15th—and last—position which is for a term expiring only three months from now.

Question. Who has been appointed Chairman of that Council?

Answer. The President has designated Dr. John Corbally to be the Chairman of our Council. Dr. Corbally is president of the University of Illinois and has been very active in the education arena. He is a former teacher and high school principal; vice president and education professor at Ohio State University; and president and chancellor of Syracuse University. He has authored several books on education administration—including one on school finance.

Question. How much of your budget request for FY 1976—$80 million—is for new activities?

Answer. Senator, out of our proposed $80 million budget we plan to spend $31.7 million for new programs.

Question. How much of that budget request is for the continuation of ongoing programs?

Answer. We estimate that approximately $37.6 million will be spent for continuation of ongoing programs and $10.7 million for staff research, services, and administrative expenses.

Question. Of those ongoing programs, how much money is going to programs originally transferred from the Office of Education and the Office of Economic Opportunity?

Answer. A total of $31.1 million will be spent on projects originally transferred from the U.S. Office of Education and the Office of Economic Opportunity.

Question. What efforts have you taken to mobilize grass roots support for the Institute and its work?

Answer. In brief, I would say that our view has been that grass roots support for the Institute will come if our program is responsive to grass roots concerns. Putting together a responsive program requires much "listening" for those concerns and that, in turn, is often aided by the efforts to provide more and more useful information as to what we are already doing.

NIE has made a special effort to bring information about our activities to the local level. We have established the position of Adviser to the Institute for Government and Public Affairs to deal specifically with this issue. The adviser and his staff personally meet with representatives of local, State and national groups to discuss education research and development, as well as NIE's agenda, and develop a better understanding of the needs and education priorities of these groups. Their advice is actively solicited and considered as part of the Institute's program planning process.

We have also increased the number and variety of publications describing NIE programs and products. This information is widely disseminated across the country on a continuous basis. The periodical "INFORMATION" is sent to 20,000 individuals, and organizations.

Our proposed FY 1976 dissemination program will also improve NIE's relationship with educators on the local level. The Institute will work with State and local education personnel to assist them in formulating their own strategy for using information and products resulting from research and development.

Though NIE has a long way to go before it is a household word, there has been a noticeable increase in support for the Institute. For example, this January, the National Conference of State Legislatures passed a resolution of support for the Institute, we have also received the endorsement of the Council of Chief State School Officers. Their resolution, passed in November 1974, stated that there must be "strong professional support for a vigorous Federal research, development and dissemination program with long-range benefits for students and other citizens of the United States." The resolution recognized NIE as an excellent vehicle for accomplishing these goals.

We have also received many letters of support from local and State education officials across the country. For example, Senator Bennett Katz from the State of Maine notes, and I quote: "I need help! I need help to reassure myself about the validity of my decisions and to handle the hostile but very proper questions of my colleagues.

"I do not support openhanded free wheeling appropriations to support a self-serving bureaucracy. But when a State with resources as limited as Maine spends about a quarter of a billion dollars a year to support public education, I plead for all the help I can get to live up to my responsibilities by making decisions based more on knowledge of exactly what it is we are buying.

"And education research, publicly funded at National level, is the tool I need.

"That's why I respect the directions of NCHEMS, and why I support a significant funding of NIE."

Other letters we receive support our proposed dissemination program and express the interest of these persons in working with NIE to establish local dissemination systems.

Question. How have you improved your relationship with education associations and how have they been involved in the setting of NIE's agenda?

Answer. Senator, I believe NIE's relationship with education associations has substantially improved within the past year. On an informal level, I have had a series of meetings with the executive directors of most of the national education associations to discuss their views on education issues, NIE's program, and ways in which the Institute could best be of service to them.

Members of national education groups have been invited to attend, and participate in, NIE's program planning conferences, which were the initial activities in formulating the Institute's overall plans for the upcoming fiscal year. In December, 1974, NIE staff met with 11 education associations to discuss problems facing the Institute and its current activities. These groups made significant comments with regard to the design of our FY 1976 agenda which were made available to our policy Council before it adopted its fiscal year 1976 budget program. Institute staff also provided a special fiscal year 1976 program briefing just for educational associations at the time the President's budget was transmitted in February.

The comments and recommendations of education groups have been solicited, and taken into account in the development of individual program plans. For example, they received the draft "Career Education Forward Plan" and our "Building School Capacity for Problem Solving" plan. These groups have also been invited to briefings at the Institute to learn in depth about individual NIE funded projects and activities. Our most recent briefing involved representatives of the Detroit Public Schools who described their efforts at solving educational problems at the local level.

Also, NIE staff has actively participated in the national conferences of the education associations and in doing so has increased communication between members of these groups of NIE personnel.

In summary, I think the best proof of improvement of relations between NIE and education associations is expressed in a letter sent to Secretary Weinberger last month by Albert Shanker, President of the American Federation of Teachers. Up to this time the AFT has been discontent with NIE and several of our projects. However, the letter does state: "You should also know that there have been some welcome changes recently in the willingness of the agency to take our concerns seriously. I sincerely hope that the new interest we have seen and the communications that have been established will result in substantive change." Mr. Shanker provided a quite lengthy agenda of proposed education research of interest to his organization, which demonstrated, I think, considerable concern for the importance of the Institute's mission.

Question. Are local people such as teachers involved in the formulation of your program and, if so, how are they involved?

Answer. People from the State and local levels have increasingly been involved in the Institute's activities.

First they have the opportunity to participate on review panels for our open grants competitions.

Second, they are asked by the different NIE program offices to respond to draft program plans. Their criticism and recommendations are actively solicited and final program plans reflect their advice.

Third, local people have the opportunity to participate in conferences to help set the total agenda for the Institute. For example, at the recent Teaching and Curriculum Conference held June, 1974, NIE invited members of teachers organizations, colleges of teacher education, and other national organizations involved in this area. Likewise, during our national reading conference, major national organizations—including teacher groups and associations specializing in reading—were asked to nominate candidates from their membership to participate in 10 panels run during this conference. Our dissemination office has also made contact not only with the large national education associations, but with State level education agencies.

Question. I have been hearing a lot about competency-based education. What is it and does your program address it?

Answer. "Competency-Based Education" is a term applied to instruction based on actual skills to be achieved by the student rather than on the number of hours he spends in class on the courses he has taken. The competency-based issue is one of intense interest to States. Seventeen States have already passed laws requiring certification of teachers on the basis of competencies and another 15 are considering such provisions. Six States are considering high school competency-based diplomas and Oregon has already enacted such legislation. There is much interest in higher education as well, in addition to the teacher training area.

Despite all this interest there are critical issues for study such as:

(1) what skills indicate competence;

(2) the ability to measure these skills;

(3) the transferability of competency-based credentials or diplomas between secondary schools and colleges or among post-secondary institutions and;

(4) the acceptability of such credentials or diplomas to employers.

NIE is currently funding several studies in competency-based education. These programs total about $6 million in our proposed FY 1976 budget. I would like to cite two examples of our work in this area:

The first is the Beginning Teacher Evaluation Study conducted by the California Commission for Teacher Preparation and Licensing. This study is designed to identify important teacher behaviors and characteristics which affect student learning. This study is primarily interested in behaviors which affect student performance in reading and mathematics in grades 2 and 5. The results of this study will aid in identifying the teaching skills and behavior patterns most beneficial to students and will develop a method of evaluating such characteristics.

The second example is our proposal to aid the State of Oregon in their change to competency-based high school graduation requirements. In September, 1972, the Oregon State Board of Education passed minimum requirements for high school graduation. The unique feature of these new graduation requirements is that the student must demonstrate a locally-determined "survival level" of competencies in three major areas: personal development, including reading and math skills, social responsibility and career development. The legislature also imposed minimum standards upon the local school systems as guidelines for carrying out this program.

The Oregon competency-based education program is one of the most exciting experiments in secondary school reform. NIE hopes to study its development and progress, so that other States can benefit from Oregon's experience.

JUSTIFICATION

Senator Fong. That is all the questions I have on this subject. We will put the complete budget justification material for the National Institute of Education in the record at this point.

[The justification follows:]

Justification

Appropriation Estimate
National Institute of Education

For carrying out section 405 of the General Education Provisions Act, including rental of conference rooms in the District of Columbia, [$70,000,000: Provided, That none of the funds appropriated under this heading may be used to award a grant or contract to any educational laboratory, research and development center, or any other project if any employee, of said laboratory, center or project is, compensated, directly or indirectly, in whole or in part from Federal funds at an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education][1] *$80,000,000*

For "National Institute of Education" for the period July 1, 1976 through September 30, 1976, $20,000,000. (Department of Health, Education, and Welfare Appropriation Act, 1975.)

Explanation of Language Change

1. A number of leading people who can make important contributions to education research and development receive an annual salary in excess of the salary paid to the U.S. Commissioner of Education or the Director of the National Institute of Education. It is desirable that the Federal Government be able to have these individuals compete for proposed work and that their contribution to seeking solutions to educational problems not be excluded because of the salary ceiling, which currently is $36,000 per year.

Amounts Available for Obligation

	1975	1976
Appropriation	$70,000,000	$80,000,000
Proposed transfer for Civilian Pay Raises from Library Resources, Office of Education	357,000	--
Subtotal, adjusted appropriation	$70,357,000	$80,000,000
Comparative transfer to:		
"Departmental Management", Office of Secretary, DHEW, for Support of Departmental Audio-Visual Management Information System	- 1,000	--
Total, obligations	$70,356,000	$80,000,000

Summary of Changes

1975 Estimated Obligations	$70,356,000
1976 Estimated Obligations	80,000,000
Net Change	+$ 9,644,000

	Base		Change from Base	
	Pos.	Amount	Pos.	Amount
Increases:				
A. **Program:**				
1. Dissemination	--	$ 5,871,000	--	+$12,472,000
2. Basic Skills	--	12,389,000	--	+ 1,524,000
3. Educational Equity	--	3,003,000	--	+ 2,435,000
Subtotal	--	--	--	+$16,431,000
Decreases:				
A. **Program:**				
1. Education and Work	--	12,671,000	--	- 2,763,000
2. Finance, Productivity, and Management	--	18,499,000	--	- 198,000
3. Other Projects	--	6,267,000	--	-2,870,000
4. Program Direction and Administration	370	11,656,000	-30	- 956,000
Subtotal	--	--	-30	-6,787,000
Total, Net Change	--	--	-30	+9,644,000

Explanation of Changes

Increases:

A. Program:

1. Dissemination -- A net increase of $12,472,000 is requested for this activity. (1) Gross increases totalling $12,825,000 includes: (a) $2,500,000 to assist approximately 40 States and professional education organizations, big city schools and higher education institutions as they develop and improve their dissemination capacity; (b) $7,625,000 to build people-to-people links between education practice and research and development by training up to 2,500 State, local and intermediate personnel; provide funds to local education agencies to allow teachers to learn first-hand about recent innovations; and enable research and development agencies to assist up to 20 States to use research findings to address locally-defined problems and; (c) $2,700,000 to enable up to 10 States to identify and verify exemplary local practices and to allow educational organizations to catalogue research and exemplary practices in reading and career education. (2) A decrease of $353,000 reflects non-recurring costs such as planning activities for the 1976 dissemination programs.

2. Basic Skills -- A net increase of $1,524,000 is requested for this activity. (1) A decrease of $5,275,000 reflects the completion of research and development projects awarded to the educational laboratories and R&D Centers on a non-competing basis. (2) An increase of $6,799,000 for new research awards focusing primarily on reading comprehension in grades 4 to 8.

3. Educational Equity -- A net increase of $2,435,000 is requested for this activity. (1) A decrease of $916,000 reflects the completion of research and development projects awarded to the educational laboratories and R&D Centers on a non-competing basis. (2) An increase of $3,351,000 for an expected 37 awards designed to remove barriers to education which minority populations and women currently experience.

Decreases:

A. Program:

1. Education and Work -- A net decrease of $2,763,000 is requested for this activity. (1) Gross increases totalling $2,500,000 includes: (a) $500,000 for an expected 30 five-minute television spots to show children ages 4 to 8 about the world of work and the wide variety of ways in which people earn a living; (b) $950,000 for an estimated 10 grants to expand current information on how to improve career decisions; (c) $1,050,000 to conduct several policy studies on issues such as ways to expand youth work experience programs. Gross decreases totalling $5,263,000 includes: (a) $3,404,000 to reflect conclusion of the research and development phase of a residential training program for rural families at Glasgow AFB, Montana and an adult career counseling demonstration in Rhode Island; (b) $1,859,000 to reflect, primarily, the completion of research and development projects awarded to the educational laboratories and R&D Centers on a non-competing basis.

2. Finance, Productivity and Management -- A net decrease of $198,000 is requested for this activity. (1) Gross increases totalling $8,003,000 includes: (a) $700,000 for school finance reform projects including the preparation for use by policymakers of a state-of-the-Nation report; (b) $2,554,000 for projects of organization and management including the continued support of 32 schools funded in 1974 as experiments to improve school organizational strategies for planning and decision making; (c) $2,500,000 for studies of issues which States now face as they enact or debate "competency-based" education; (d) $1,650,000 to conduct research on improving the productivity of education; (e) $599,000 to complete operational phase of the 18 experimental school projects. (2) Gross decreases totalling $8,201,000 includes: (a) $4,230,000 to reflect the conclusion of satellite experiments in Rocky Mountain, Alaskan and Appalachian regions of U.S.; (b) $971,000 to reflect the phase-out of operational costs associated with the Alum Rock educational voucher experiment; (c) $3,000,000 to reflect the completion of research and development projects awarded to the educational laboratories and R&D Centers on a non-competing basis.

3. Other Projects -- A net decrease of $2,870,000 is requested for this activity. (1) Gross increases totalling $2,600,000 includes: (a) $2,200,000 to continue the Anacostia (Washington, D.C.) project last funded in 1974 involving 20,000 children in a school program where the local community has participated; (b) $400,000 to study the strength of the current educational R&D system. (2) A decrease of $5,470,000 reflects the completion of research and development projects awarded primarily to the educational laboratories and R&D Centers on a non-competing basis.

4. Program Direction and Administration -- A decrease of $956,000 reflects payroll and related costs associated with the reduction of 30 full-time permanent positions not currently needed to carry out the Institute's mission.

Obligations by Activity

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Research and Development......	---	$58,700,000	---	$58,700,000	---	$69,300,000	---	+$10,600,000
Program Direction and Administration	370	11,299,000	370	11,656,000	340	10,700,000	-30	- 956,000
TOTAL	370	$69,999,000	370	$70,356,000	340	$80,000,000	-30	+$ 9,644,000

Obligations by Object

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Total number of permanent positions....................	370	370	340	- 30
Full-time equivalent of all other positions.............	31	31	12	- 19
Average paid employment.......	402	402	367	- 35
Personnel compensation:				
Permanent positions.........	$7,335,000	$7,646,000	$7,286,000	-$ 360,000
Positions other than permanent..................	599,000	618,000	256,000	- 362,000
Other personnel compensation......................	30,000	30,000	25,000	- 5,000
Subtotal, personnel compensation.............	7,964,000	8,294,000	7,567,000	- 727,000
Personnel benefits..........	688,000	695,000	650,000	- 45,000
Travel and transportation of persons....................	368,000	368,000	319,000	- 49,000
Transportation of things....	30,000	30,000	15,000	- 15,000
Rent, communications and utilities..................	940,000	940,000	970,000	+ 30,000
Printing and reproduction...	101,000	101,000	85,000	- 16,000
Other services..............	1,107,000	1,107,000	985,000	- 122,000
Project contracts...........	44,612,000	44,612,000	52,668,000	+8,056,000
Supplies and materials......	91,000	91,000	82,000	- 9,000
Equipment...................	30,000	30,000	27,000	- 3,000
Grants, subsidies and contributions..............	14,088,000	14,088,000	16,632,000	+2,544,000
Total obligations by object.....................	$69,999,000	$70,356,000	$80,000,000	+$9,644,000

Significant Items in House and Senate Committee Reports

Item	Action Taken or to be Taken
FY 1975 House Report:	
1. The Committee stated that "the Institute has not fully carried out the intent of Congress to assist state and local education agencies through dissemination of research information and newly developed programs and practices."	1. The budget request for FY 1976 provides for three times the 1975 level or $18,343,000 for dissemination projects. During FY 1975 funds are being provided to assist approximately 30 states develop or improve their dissemination activities. The goal of the program in FY 1976 is to provide teachers, administrators and policy makers outcomes of educational research and help them adapt development products such as innovative curricula and exemplary local practices to their own use.
FY 1975 Senate Report:	
1. The Committee recommended the Institute take steps necessary to eliminate marginal less productive education R&D projects and concentrate efforts on more goal oriented activities. The Committee specified the following as examples of the kind of activities on which the Institute should focus.	
o A proposed study of School Finance	o Funds have been provided in FY 1975 for School Finance Planning activities. In FY 1976 the Institute will work closely with School Finance policy-makers in States and elsewhere to support analyses and research responding directly to their needs. $32,000 will be provided in FY 1975 and $750,000 in FY 1976.
o The more successful educational laboratories and centers	o In FY 1975 an estimated $29.8 million will bring most of the ongoing lab and center projects to conclusion. For FY 1976 new funding decisions for the most part, will be made by NIE personnel with the advice of outside experts in response to competitive program announcements. The experience of many of the education laboratories and R&D centers should enable those most capable to compete successfully. A tentative estimate of NIE funding for labs and centers in FY 1976 is $20 million. This estimate

Item	Action Taken or to be Taken
	is based upon their past capabilities in undertaking research and at providing support services to local education personnel such as adapting R&D outcomes to local school needs.
o The Mountain Plains Project	o $5.2 million will be provided in FY 1975 and $2.7 million in FY 1976. The decrease reflects the conclusion of the research and development phase of the residential training program for rural families in the six-state Mt. Plains region.
o The D.C. Schools Project	o Since the D.C. Schools Project is currently operating on funds awarded during FY 1974, funds will not be necessary for continued support until FY 1976. The budget does request $2.3 million representing the final year of the three year project in the Anacostia area of the District of Columbia.
o The University of Mid-America	o In FY 1976 the University of Mid-America will be expanded from a one-state to a 5 state network. In addition, the proposed budget of $1.6 million provides up $.2 million from FY 1975, to expand the number of courses offered from 4 to 8.
2. The Committee directed that $155,000 be provided to continue operation of the Child Study Center now operating at HEW.	2. $75,000 has been provided in FY 1975 to continue the Office of Education Child Study Center. The FY 1976 budget provides for NIE to support research in early childhood education in conjunction with the ongoing child study center. Alternatives designed to increase the impact of the research expenditures will also be explored, such as establishing a preschool demonstration site in collaboration with the Smithsonian Institution. $200,000 is planned for FY 1976.
3. The Committee recommended that an appropriate portion of FY 1973 funds be allotted as final payment to the Western Institute of Technology.	3. Necessary FY 1973 funds ($506,000) have been provided as final payment for the National Computer Services, Western Institute of Technology Project in Waco, Texas.

Authorizing Legislation

1976	
Authorized	Appropriation Requested
1/	$80,000,000

[1] Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975 appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

Appropriation History Table

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1973	$142,671,000	$142,671,000	$142,671,000	$142,671,000
1974	187,897,000	143,371,000	75,700,000	75,700,000
1975	134,500,000	80,000,000	--	70,000,000
Supplemental (Pay Raise)	357,000			
1976	80,000,000			

JUSTIFICATION

National Institute of Education

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	370	$8,989,000	370	$8,989,000	340	$ 8,217,000	-30	-$ 772,000
Other Expenses	---	61,367,000	---	61,367,000	---	71,783,000	---	+10,416,000
	370	$70,356,000	370	$70,356,000	340	$80,000,000	-30	+$9,644,000

General Statement

The Government's interest in education research and development is, ultimately, to improve the quality of education for Americans. The National Institute of Education, located within the Department of Health, Education, and Welfare, was created because the Congress and the Executive Branch believed that the tools of research and development can be useful in answering questions of policy makers, administrators and practitioners in the field of education, and that this knowledge ought to be disseminated to assist them in educating children. Much, indeed most, of the Institute's work addresses the statutory mandate to improve the quality of educational opportunity. Just as in other areas of Federal concerns, the research and development investment in education is designed to seek answers to questions and solutions to problems.

The Institute's proposed program for 1976 represents a national agenda derived from many sources, most particularly:

- Expressions of important national education issues such as those found in the authorizations for the proposed 1977 White House Conference on Education and the Special Projects Act in the 1974 Education Amendments.
- Indications of issues as expressed in recent Appropriation Committees' reports on NIE.
- Policies adopted by the Institute's policy body; the National Council on Educational Research.
- Expressions of State and local needs by educators, researchers, and policy makers who have counseled the Institute over the past 18 months and frequently participated in the development or assessment of individual activities.
- Expressions of interest from educational associations, many of which have adopted resolutions about the need for national education R&D activities, and NIE in particular.

The program has been developed through the convergence of interests, concerns and issues expressed, and within the limits imposed by both budget capacity and the "State-of-the-art" -- that is, where it is believed that R&D can make an important contribution.

Projects supported by the Institute in the past three years have shown that research and development can make an important contribution toward solving the problems in schools. Two outstanding examples of effective work are the multi-unit school system developed at the Wisconsin Research and Development Center for Cognitive Learning and the Experienced Based Career Education Program currently being operated by four educational laboratories. The Wisconsin project has developed a way to organize elementary schools into units which provide more effective teaching and increase the amount of individual attention given to children. NIE has supported the development of teaching materials adapted to the different organization and is providing funds for the Center to train and assist people in schools that are switching to the new arrangement. An estimated 3,600 schools in 48 States have already adopted the system and they have reported a dramatic rise in student achievement.

The Experienced Based Career Education (EBCE) Program has successfully designed and tested an educational model that combines on-the-job experience with academic learning to better prepare youth for the transition from student to employee. Nearly 600 students and 400 community organizations have participated in the four test sites to date. More than 90% of the students reported satisfaction and 97% of the employers said they would recommend participating in the program to other employers.

Over 100 school systems have asked for information about EBCE and 15 school districts want to implement the program in their schools next year. Within 3 years the program is expected to be available nationally through State user and training networks.

The FY 1976 program of the National Institute of Education has two major emphases. One is to disseminate and foster the utilization in schools of research and development products and exemplary practice. The other emphasis is the creation of solutions to some major educational problems. Listed below are the major Institute programs with a description of the problems they are designed to address.

1. Dissemination: The results of educational research and development have been far less helpful than they might be. Information on these results has not generally reached teachers and administrators, nor have systems--involving State, regional, and local education agencies and R&D performers--for making knowledge available and helping to apply it been well-developed.

2. Basic Skills: Hundreds of thousands of students leave school each year without the reading ability required for many skilled or semi-skilled jobs, and similar problems exist with regard to basic mathematical skills. Millions of students are seriously handicapped in their school work by poor reading comprehension and many, if not most, students and adults read much less efficiently than they could.

3. Finance, Productivity and Management: The ability of educational institutions at all levels to provide high quality education is threatened in an era when enrollment is declining or changing in distribution and character, costs are continuing to rise, courts and other public bodies are requiring new distributions of educational funds, and education must increasingly compete with other social services for available funds. Schools and school systems are finding it increasingly difficult to meet demands for better performance, greater diversity of programs, and other changes because they lack organizational arrangements and management capability for diagnosing their problems and designing solutions.

4. Education Equity: Many students are unfairly limited in their choice of educational programs because of their home language and culture, ethnic background, sex, or economic status. In some cases this is because adequate programs do not exist; in others it is due to uninformed or prejudicial placement of students.

5. Education and Work: Education is not sufficiently preparing youth and adults for entering and progressing in careers. Many students leave school without knowledge, information, and skills for choosing and pursuing a career; and the education system is not well geared to provide adults with additional training related to careers.

The budget request for FY 1976 is as follows:

NATIONAL INSTITUTE OF EDUCATION

		FY 1975 Revised Estimate	FY 1976 Estimate	Increase or Decrease
A.	Dissemination	$ 5,871,000	$18,343,000	+$12,472,000
B.	Basic Skills	12,389,000	13,913,000	+ 1,524,000
C.	Education Equity	3,003,000	5,438,000	+ 2,435,000
D.	Education and Work	12,671,000	9,908,000	- 2,763,000
E.	Finance, Productivity and Management	18,499,000	18,301,000	- 198,000
F.	Other (not classified)	6,267,000	3,397,000	- 2,870,000
G.	Program Direction and Administration	11,656,000	10,700,000	- 956,000
	TOTAL	$70,356,000	$80,000,000	+$ 9,644,000

DISSEMINATION

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	--	--	--	--	--	--	--	--
Grants and Contracts	--	$5,871,000	--	$5,871,000	--	$18,343,000	--	+$12,472,000
TOTAL	--	$5,871,000	--	$5,871,000	--	$18,343,000	--	+$12,472,000

Introduction: The highest priority program within the Institute for FY 1976 is to provide information to teachers, administrators and policy-makers on the outcomes of educational research and help them use such products as innovative curricula and exemplary local practices to improve education for the children of the Nation. Past dissemination programs have not succeeded in making R&D outcomes widely useful to teachers and administrators, in part because effective linkages between R&D and practice have been largely missing in education.

Because such linkages must involve person-to-person interactions, the Institute in 1976 will launch an expanded dissemination effort focusing on people-based service, primarily within existing State, intermediate (eg. county offices) and professional information networks (eg. teacher associations). The Institute's proposed program will build on the experience of the successful U.S. cooperative agricultural extension system, borrowing applicable features such as the use of State and local extension agents. The proposed Dissemination program is designed to make research and development knowledge available directly to teachers and school administrators as well as assist them in applying that knowledge to the solution of problems.

Program Plans for 1976: Three major objectives have been outlined in order to bring the results of research, development and verified local practice to the classroom. These objectives are:

1. To build people-to-people links between educational practice and development. Proposed awards during 1976 will provide for: First, the training of State-designated personnel, e.g., staff members in intermediate education agencies such as county offices and educational service centers, thereby improving and building upon existing systems within States. Such training would provide for first-hand visits to existing demonstration sites as well as personal exchanges of information with R&D organizations. Second, travel and other such expenses for the trained State-designated personnel to assist schools in the use of improved practices and innovations. Awards will also provide funds for substitute teachers and travel costs for teachers to gain additional first-hand knowledge about potential classroom activities. Third, help from R&D organizations to State and local agencies in order that innovations can be tailored to the needs of specific school systems. Fourth, evaluation and analysis of implementing selected R&D products in a variety of local settings.

	1975	1976
o Estimated number of personnel trained in State, local and intermediate education agencies	--	2,000-2,500
o Estimated number of local agencies receiving assistance in the application of research, development and innovations	--	350 - 450
o Estimated number of R&D agencies receiving awards to assist 15-20 states in using R&D to address locally-defined problems.	--	8 - 12
o Proposed funding level	$200,000	$7,625,000
- Continuation	--	--
- New Initiatives	($200,000)	($7,625,000)

2. To assist some States and professional organizations in the development of comprehensive dissemination programs. Since not all States have adequate systems and personnel readily available for such people-to-people exchanges, the Institute's proposed awards will: First, provide funds on a competitive basis to some State Education Agencies to develop comprehensive dissemination programs. It is expected that such a program will require 3-to-5-year funding for selected States. Second, provide special purpose grants to other States for relatively low-cost, one-time efforts to deal with specific dissemination problems such as developing a capability for access to the national information system, Educational Resources Information Center. Third, support experimental approaches to dissemination by education-related professional organizations, big-city school systems and institutions of higher education. Fourth, continue the Chief State School Officers Dissemination Secretariat which maintains liaison among dissemination personnel in Federal and State agencies.

	1975	1976
o Expected number of States to receive Grants:		
-Comprehensive Capacity Building	up to 10 states	up to 10 additional states
-Special Purpose	up to 20 states	up to 30 states
o Proposed funding level	$1,425,000	$3,375,000
-Continuations		
.Comprehensive Capacity Building	--	($ 800,000)
.Dissemination Secretariat	($ 75,000)	($ 75,000)

-New Initiatives		
.Comprehensive Capacity Building	($950,000)	($1,000,000)
.Special Purpose Grants	($400,000)	$ 600,000)
.Evaluation of State Dissemination Program	--	($ 200,000)
.Experimental approaches by professional organizations, big-city school systems and institutions of higher education	--	($700,000)

3. To provide an information base that responds to the expressed needs of those interested in education. Project awards will: First, maintain the current Educational Resources Information Center system which provides for 16 subject-oriented clearinghouses that locate, acquire, abstract, index, and make available significant educational documents. Second, design an improved educational information system based on the experiences of ERIC and the results of a study now underway to recommend needed improvements in information systems. Third, establish a system to identify information needs of school personnel, State agency officials and other information users. Fourth, support the analysis and synthesis (cataloguing) of R&D-based knowledge, products, and verified practice in priority areas such as reading and career education. Fifth, identify and verify exemplary local practice in conjunction with State education agencies.

	1975	1976
o Number of ERIC Clearinghouses	16	16
o Awards to educational organizations (e.g., R&D agencies, universities) to synthesize research and exemplary practice in reading and career education.	--	2-4 organizations
o Awards to States to identify and verify exemplary local practices	--	approximately 10 states
o Proposed funding level	$4,246,000	$7,345,000
-Continuations	($4,246,000)	($4,645,000)
-New Initiatives	--	($2,700,000)

Since ERIC has been in operation several years, ERIC user statistics as of September 30, 1974 are provided below:

o Subscription to total ERIC collection	579
o Subscriptions to ERIC journals	
-Research in Education(RIE)	5,600
-Current Index to Journals in Education (CIJE)	2,300
o Professional organizations working with ERIC (representing membership of 4.1 million)	238
o Questions answered by ERIC Clearinghouses(57% from practitioners and decision-makers;26% from students and others; 11% from information service centers; 6% from R&D personnel)	100,000
o Estimated annual uses of ERIC resources	10 million

Accomplishments in FY 1975: The following represents the accomplishments of the 1975 dissemination program.

- The 16 ERIC Clearinghouses which collect, screen, synthesize and disseminate information and reports on work in selected areas of education were continued. More than 180,000 research reports, journal articles and topical bibliographies are currently available and citations are increasing at the rate of 34,000 items per year.

- Up to 10 States will have received grants to support the development of comprehensive dissemination programs over the next 3 to 5 years. Up to 20 other States will have received funds to carry out specific improvements in their dissemination programs or to plan for future programs.

- An in-house effort to catalog all the products of past NIE programs will be completed with the cooperation of NIE awardees. The results will be made available by the close of FY 1975.

BASIC SKILLS

	1975 Estimate		1975 Revised		1976 Estimated		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits..	--	--	--	--	--	--	--	--
Grants & Contracts.....	--	$12,389,000	--	$12,389,000	--	$13,913,000	--	+$1,524,000
TOTAL	--	$12,389,000	--	$12,389,000	--	$13,913,000	--	+$1,524,000

Introduction: The Basic Skills program of the National Institute of Education supports research and development to acquire knowledge which can help children and adults obtain the reading and other basic skills necessary to function in school and society. A recent Lou Harris survey estimates that twenty million adults reach only a "marginal survival threshold" when faced with such tasks as filling out applications for driver's licenses, bank loans, and social security benefits. This hardship is disproportionately found among poor and minority families. Schools have thus far not solved the problem.

Program Plan for FY 1976: Four major objectives have been established for FY 1976 which build upon research conducted primarily over the last 20 years. These objectives are:

1. To establish benchmarks of competency in reading and other basic skills. Activities are designedto: First, find out what level of competency in basic skills is required for productive work and for the exercise of civic rights and responsibilities; Second, develop precise ways of assessing the competencies required; and Third, analyze the extent to which the schools might be held legally responsible for developing these competencies.

	1975	1976
o Expected number of awards as result of national competition:		
- Grants	--	14
- Contracts	--	10
o Estimated average dollar per award:		
-Grants	--	$75,000
-Contracts	--	$80,000
o Proposed funding levels		$1,850,000
-Continuations	--	--
-New Initiatives	--	($1,850,000)

2. To determine causes for failure to attain adequate levels of competence in basic skills. Activities are intended to better our understanding of why some children attain competency in basic skills while others fail. One such project proposed is to determine whether the declines in computation scores among students have been mistakenly attributed to modern math. The proposed work will also produce knowledge in areas which are most likely to result in improved instruction such as the development of classroom techniques for increasing children's motivation and attention span. All proposed work includes short-term research likely to have a substantial impact on government policy and longer-term research designed to profit from recent breakthroughs in allied fields of inquiry.

	1975	1976
o Expected number of awards as result of national competition:		
-Grants	----	27
-Contracts	8	5
o Estimated average dollar per award:		
-Grants	--	$ 94,000
-Contracts	$ 334,600	$ 360,000
o Proposed funding level	$2,677,000	$4,343,000
-Continuations	($2,586,000)	($ 893,000)
-New Initiatives	($ 91,000)	($3,450,000)

3. To improve instruction in the schools for teaching, reading and mathematics. There are four major efforts proposed. These are to: First, promote practices already known to be effective; Second, identify ways in which schools and teachers are currently effective; Third, develop new teaching practices (particularly in individualized instruction); and Fourth, correct inaccurate methods of evaluating education research which have prevented the identification or development of effective teaching practices.

	1975	1976
o Expected number of awards as result of national competition:		
-Grants	--	16
-Contracts	12	9
o Estimated average dollar per award:		
-Grants	--	$ 198,000
-Contracts	$ 737,000	$ 372,000
o Proposed funding level	$8,844,000	$6,520,000
-Continuations	($ 8,844,000)	($4,830,000)
-New Initiatives	--	($1,690,000)

4. To take the solutions that have been found and implement them in classrooms where the need is greatest. Project awards will provide incentives and training to school personnel necessary to implement findings from past research and development activities in the basic skills program. Included would be the establishment of teacher centers focused on basic skills.

	1975	1976
o Expected number of awards as result of national competition:		
-Grants	--	--
-Contracts	2	10
o Estimated average dollars per awardee		
-Grants	--	--
-Contracts	$ 434,000	$120,000
o Proposed funding level	$ 868,000	$1,200,000
-Continuations	($868,000)	--
-New Initiatives	--	($1,200,000)

Accomplishments in FY 1975: The following represents the highlights of projects concerned with the teaching, learning and measurement of basic skills.

- o Two national conferences on teaching and reading were convened involving 350 teachers, researchers and school administrators who suggested priorities and illustrative projects to carry out research in these areas. The work of these conferences will guide the Institute's activities in teaching and reading over the next several years.

- o The Commission for Teacher Preparation and Licensing of the State of California was provided funds to test the possibility of identifying and then measuring teacher practices which are unusually effective in helping children learn. This effort examines the teaching of reading and mathematics in the second and fifth grades. Since 31 states are considering basing licensing requirements on teacher competency, the identification of what characteristics are important for improving student learning would have tremendous impact on American teacher education.

- o Support was provided for the Design for Reading Skill Development, as a part of the Individually Guided Education Program at the University of Wisconsin's R&D Center. This project has been praised by teachers and administrators as a low cost means of individualizing reading instruction. To date it has been adopted in 3,600 schools in 48 states. Schools using this program have reported a dramatic rise in student reading achievement.

- o To increase the number of people who can conduct effective school program evaluations, NIE funded a program to develop materials and train teachers and school administrators to do evaluations in their own institutions. To date, more than 2,500 administrators and teachers have received workshop training on the stages of an evaluation process and how to use the manuals, self and group instructional packages and evaluation kits. In addition, over 10,000 other school personnel have received the training materials and evaluation kits which are now in use in every State and in 22 foreign countries.

EDUCATIONAL EQUITY

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	--	--	--	--	--	--	--	--
Grants & Contracts	--	$3,003,000	--	$3,003,000	--	$5,438,000	--	+$2,435,000
TOTAL	--	$3,003,000	--	$3,003,000	--	$5,438,000	--	+$2,435,000

NOTE: The amounts for the Educational Equity Program contained in this budget justification exclude $5 million in 1975 and $5 million in 1976 already appropriated under the Elementary and Secondary Education Program within the Office of Education for a study of compensatory education. That study is intended to provide analysis of policy issues which will assist the Congress in consideration of further extension of the Elementary and Secondary Education Act when it next expires in 1977.

Introduction: Building on results of past educational research and development projects, the Educational Equity program is engaged in activities which will provide solutions for many students who are unfairly limited in their choice of educational programs because of their home language and culture. ethnic background, sex or economic status. In some cases this is because adequate programs do not exist; in others it is due to uninformed or prejudicial placement of students. The program is designed to address the educational needs of minority populations and women.

Program Plans for 1976: The focus of the 1976 projects in the Educational Equity is:

1. To improve bilingual and multicultural programs in both elementary and secondary schools. Awards proposed will: first, develop and help schools implement measures of student aptitude and achievement which are not biased against certain populations; second, improve the teaching practices and curricular materials for culturally and linguistically different students; third, identify major barriers to effective school programs and recommend alternative curricula, teacher training, and legislative programs which can be implemented by local, state, and federal agencies; and fourth, support surveys of the educational goals and attitudes of cultually and linguistically different groups for use by State and local education agencies.

	1975	1976
o Expected number of awards		
-Grants	--	--
-Contracts	17	19
o Estimated average dollars per award		
-Grants	--	--
-Contracts	$ 168,000	$207,300

	1975	1976
o Proposed funding level	$2,853,000	$3,938,000
-Continuations	($2,853,000)	($1,892,000)
-New Initiatives	--	($2,046,000)

2. To improve the range of educational options available to women of all ages. Plans for 1976 will include: First, surveys to determine achievement patterns of men and women; Second, studies of educational needs of women from low income and minority groups; and Third, studies to determine the impact of the women's movement on the educational and occupational plans of women.

	1975	1976
o Expected number of awards		
-Grants	--	--
-Contracts	--	2
o Estimated average dollars per award		
-Grants	--	--
-Contracts	--	$ 150,000
o Proposed funding levels		$ 300,000
-Continuations	--	($ 120,000)
-New Initiatives	--	($ 180,000)

3. To improve the learning opportunities for children, particularly those in metropolitan areas. Two major activities are proposed. First, is a study of several population groups to determine the effects on school practice and student achievement of various patterns of desegregation implemented since the 1954 Brown Supreme Court decision; Second, is to conduct a study of crime in the schools, its causes and costs, and existing and effective means of prevention, as authorized in the Elementary and Secondary Education Amendments of 1974.

	1975	1976
o Expected number of awards		
-Grants	--	2
-Contracts	--	14
o Estimated average dollars per award		
-Grants	--	$ 40,000
-Contracts	--	$ 62,000
o Proposed funding levels		$ 950,000
-Continuations	--	--
-New Initiatives	--	($ 950,000)

4. To improve the participation by minorities in education research and development. NIE proposes to support, through the American Sociological Association, Ph.D. candidates majoring in the application of sociological research to educational problems. In addition, up to four regional workshops will be convened to identify researchers and potential researchers among minority communities and to establish mechanisms for increasing their participation in education R&D through support of training efforts and technical assistance.

	1975	1976
o Expected number of students supported:	20	20
-Continued	10	20
-New	10	-0-
o Expected number of participants in workshop:	--	15-20
o Proposed funding levels	$ 150,000	$ 250,000
-Continuations	($ 75,000)	($150,000)
-New Initiatives	($ 75,000)	($100,000)

Accomplishments in FY 1975: The work of the Education Equity program was primarily directed toward developing alternative curricula and test materials for bilingual/bicultural children in FY 1975. Products include:

- o Readers and teacher guides for children of Pacific Northwest Native Americans and Alaskan natives. The Alaskan Readers for grades 1-3 were favorably evaluated by a committee of parents and teachers as being more culturally relevant than any other to date, and have been adopted by the Bureau of Indian Affairs in Juneau and the Alaska State operated School System for use in their schools. Approximately 400 children in the first grade of 3 different states are testing the initial materials designed for Pacific Northwest Indian tribes. Eight other tribes have expressed interest in using the materials. The development of reading materials for grades 2 and 3 is well underway.

- o Bilingual education curriculum materials and teacher training packages for kindergarten through the second grade. The State of Texas, with more than 300,000 Spanish-speaking students in its public schools, included these materials on its list of preferred products. The units include first and second grade texts and teaching materials that coordinate reading, speaking, writing and listening skills. The Kindergarten program combines English and Spanish presentations geared toward acquainting young children with the learning process. 87% of the teachers working with the materials rated them highly.

- o New experiments on tests to measure the language competence of bilingual children in their original language. This program responds to the need to develop fair and adequate measures of the achievement of culturally and linguistically different children. Measures of teacher attitudes towards children using Mexican-American Spanish, or non-standard Black English are also being studied to determine how different teacher attitudes affect student achievement. Tests involving 300 children in 10 schools will help develop better ways to test and teach bilingual children.

EDUCATION AND WORK

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	--	--	--	--	--	--	--	--
Grants and Contracts	--	$12,671,000	--	$12,671,000	--	$9,908,000	--	-$2,763,000
TOTAL	--	$12.671.000	--	$12,671,000	--	$9.908.000	--	-$2.763.000

Introduction: The Education and Work program of the National Institute of Education supports research and development to improve the contribution education makes to individuals' abilities to choose, enter and progress in work. Reports of National Commissions such as "Youth in Transition" and "The Reform of Post Secondary Education" point out that students have increasing difficulties in making the transition between school and work, and that adults increasingly need to move from work to school in order to compete in the labor market.

The reason for these apparent difficulties are uncertain; however, the Commissions believe the difficulties are due in large part to the segregation of youth from meaningful adult life on the one hand and the lack of access to education for adult learners on the other.

Program Plans for 1976: Education and Work projects build on research findings and current school practice. Planned programs in 1976 move forward from that experience in order:

1. To help school, business and research communities find new ways to give students work experiences. Three current activities are proposed to be continued during 1976. First, is an alternative high school program in Philadelphia Pa. involving 300 students operated by the Opportunities Industralization Centers. OIC provides opportunities for career exploration, basic and technical skills training, and a job placement program for inner-city students between 16 and 21 years of age who do not succeed in a standard high-school environment. Second, the Mountain Plains Economic Development Project seeks to rehabilitate families economically by providing guidance, counseling, basic and technical skills training, and family support. Approximately 335 families from the six-State Mountain Plains region are served by this project a year. The 1976 request of $2.7 million reflects the conclusion of the research and development phase of the Mountain Plains Economics Development Project supported in 1975 at $5.3 million. The third project to be continued, the Experienced-Based Career Education (EBCE), is pioneering a high school curriculum which permits students to earn their regular diploma through on-the-job work experiences. The work experience is coordinated with classroom instruction provided at special learning centers outside of the regular high school. Students spend at least 50% of their school time working in their communities at employer and community resource sites. The following chart represents basic information for the 1974-1975 academic year for the four EBCE sites now supported by NIE which began their third year of operation in August, 1974:

Experience-Based Career Education Programs	Appalachia Educational Laboratory, Inc.	Far West Laboratory for Educational Research and Development	Northwest Regional Educational Laboratories	Research for Better Schools Inc.
Approximate number of students	120	110	62	275
Participating grade levels	11, 12th	10th-12th	11th-12th	9th-12th
Racial breakdown of students	Predominatly White	Ethnically Mixed	All White	Predominantly Black
Approximate number of employers	100	140	125	100
Geographic location and description of current sites	Charleston, W.Va. rural urban	Oakland, Cal. urban	Tigard, Ore Suburban/ rural	Philadelphia, Pa Inner city
Graduates, 1973 and 1974	130	32	24	72

In addition to the work experience projects to be continued, a one year policy study to identify other ways to expand youth work experience programs and a study on how to extend work experience programs in community colleges and for adult learners is proposed for 1976.

	1975	1976
o Expected number of awards		
- Grants	-	-
- Contracts	8	12
o Estimated average dollars per award		
- Grant	-	-
- Contracts	$1,227,000	$583,000
o Proposed Funding level	$9,817,000	$7,000,000
- Continuations	($9,717,000)	$6,700,000
- New Initiatives	($ 100,000)	($ 300,000)

2. To improve and find alternatives to current guidance, counseling and placement programs. Proposed awards during 1976 will provide for: First, the use of existing children's TV programs to show to youth ages 4 to 10 examples of people working in a variety of occupations. Up to 30 five minute TV spots are planned. Second, a grants competition to expand our information about how to improve career decision-making. The studies would include analyses of the role of job information and effects of work experiences. Third, policy studies including projects to improve linkages among schools. labor unions employees, and students, primarily non-college-bound youth. Fourth, final year funding of several projects including the completion of curriculum for use by junior high-school students which brings together academic and occupational learning through simulated works experiences in the classroom.

	1975	1976
o Expected number of awards		
- Grants	-	14
- Contracts	8	14
o Estimated average dollars per award		
- Grants	-	$ 95,000
- Contracts	$ 350,000	$ 130,000
o Proposed funding level	$2,854,000	$2,908,000
- Continuations	($2,854,000)	($ 708,000)
- New Initiatives	-	($ 2,200,000)

Accomplishments in FY 1975: The Education and Work program supported activities designed to provide information and tested materials to youth and adults for choosing and progressing in careers. Activities included:

- o Approximately 3,000 children from K through 12 were involved in field-testing curriculum units and teacher training materials to improve career awareness, exploration, and preparation in the classroom. Thirty curriculum units were revised and distributed in FY 1975. In FY 1976, approximately 9,000 children will be involved in field-testing the remaining curriculum units and an additional 3,000 children are expected to be using sample units in regular classrooms.

- o About 50,000 children in New Jersey, Colorado, California, Georgia, Michigan and Arizona participated in a study of how school districts plan and implement career education programs. The findings will be useful in providing guidelines for school systems beginning or upgrading their career education programs.

- o In its first two years of operation, more than 3,600 people received career counseling through a unique telephone counseling service in Providence, Rhode Island, developed by the Educational Development Center. These adults, who were unemployed and not attending school, received information on educational and training resources available to them, how and where to look for jobs, and personal counseling. Preliminary information suggests clients are satisfied with the service and do take action based on the counseling they received.

- o About 5,000 students and 200 teachers at 38 sites in 16 states were involved in field testing career counseling materials designed to help students match their career interests with educational and occupational possibilities. These materials, developed at the Appalachian Educational Laboratory, include a fifteen unit career exploration curriculum, tested in six sites involving children from grades 8 through 11. The Career Information System materials provide a means for simple access to occupational information useful to young people from 14 through 21 years of age.

FINANCE, PRODUCTIVITY AND MANAGEMENT

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	--	--	--	--	--	--	--	--
Grants & Contracts	--	$18,499,000	--	$18,499,000	--	$18,301,000	--	-$ 198,000
Total	--	$18,499,000	--	$18,499,000	--	$18,301,000	--	-$ 198,000

Introduction: The Finance, Productivity and Management program of NIE supports research and development projects designed to assist educational institutions at all levels to provide high quality education in an era when enrollment is declining or changing in distribution and character, costs are continuing to rise and courts and other public bodies are requiring new distributions of educational funds. Institute funded projects in this area in the past have been heavily focused on improving the management techniques of schools and their administrators.

Program Plans for 1976: Building on past experiences, the 1976 project awards are designed:

1. To support States and educational institutions as they carry out school finance reform activities. NIE will focus on four major activities during 1976. First, will be the preparation of a publication, for use by education decision makers, which synthesizes the state-of the-Nation with respect to school finance reform. Included will be a discussion of recent court decisions and identification of current individual State responses to school finance reform issues. Second, a School Finance Reform Advisory Committee composed largely of school (finance) policy makers will be established. The budget requests funds to support Committee designed projects such as evaluation of attempts by States (e.g. Texas, California and New Jersey) to meet Court requirements. Third, the Education Voucher Experiment project at Alum Rock, California, involving 9,100 children, will be continued for its fifth and final year of operation. The project is testing a system whereby students and parents select from several options the school which the child will attend. The school, which receives resources (vouchers) only if selected, must therefore, be responsive to student needs. Funds are also requested to conclude feasibility studies for possible voucher demonstrations in New Hampshire and East Hartford, Connecticut. Fourth, will be a focus on state and federal financial reform models for supporting postsecondary education, and an assessment of their impact on access to post secondary education.

	1975	1976
o Expected number of awards		
- Grants	13	7
- Contracts	11	6
o Estimated average dollars per awards		
- Grants	$146,000	$227,000
- Contracts	$ 67,000	$125,000

	1975	1976
o Proposed funding level	$2,667,000	$2,340,000
- Continuations	($2,614,000)	($1,590,000)
- New Initiatives	($ 53,000)	($ 750,000)

2. To improve the productivity of education: Five major activities are planned to approach the question of how education can make more efficient use of its resources. These are: First, studies of issues which States now face as they enact or debate "competency-based" education, where education credits or diplomas are based on skills or knowledge individuals have acquired. For example, an examination and analysis of the planned competency-based high school program in Oregon is proposed. Second, support will be continued for the University of Mid-America, a regional post-secondary open learning system. UMA was founded by five midwest universities and will deliver educational services through a variety of technologies such as television, and audio cassettes to people unable to take advantage of traditional institutions. At least 4 courses in the spring of 1975 will be available to the more than 8 million adults living in a 4 state region. Third, is to support data analyses and applications of systems in the management of post secondary institutions, such as those developed by the National Center for Higher Education Management Systems, currently assisting 200 colleges and universities. Planned expansion will provide for the inclusion of elementary-secondary and non-traditional post-secondary institutions. Fourth, is to fund demonstration projects and conduct policy studies concerned with how communities can deal with the problem of enrollment shifts. Final year of support will be provided to two current projects in Washington State. Fifth, basic research on the economics of education is also proposed for FY 1976.

	1975	1976
o Expected number of awards		
- Grants	16	55
- Contracts	17	17
o Estimated average dollars per awards		
- Grants	$384,000	$ 91,000
- Contracts	$236,000	$150,000
o Proposed funding level	$10,267,000	$ 7,700,000
- Continuations	($ 9,898,000)	($ 3,550,000)
- New Initiatives	($ 369,000)	($ 4,150,000)

The budget for 1976 does reflect the conclusion of the telecommunications satellite demonstration supported in 1975 at $4.2 million and nothing in 1976.

3. To help school systems meet increasing demands for better performance and improved management. Proposed 1976 awards will: First, continue grants to nine sites focused on problem-solving strategies in 32 individual schools serving low-income children in urban areas. These case studies will provide information to assist other school systems having similar problems. Second, fund experimental school projects begun in 1971 which test and demonstrate large scale locally initiated combinations of changes. Eighteen project sites are now in operation and no new projects are to be started. Third, conduct basic research into issues of school change and improvement and continue projects to develop information, materials and support systems for schools seeking organizational changes.

	1975	1976
o Expected number of awards		
- Grants	4	22
- Contracts	10	28
o Estimated average dollars per awards		
- Grants	$534,000	$137,000

- Contracts	$343,000	$188,000
	1975	1976
o Proposed funding level	$5,565,000	$ 8,261,000
- Continuations	($5,065,000)	($7,236,000)
- New Initiatives	($ 500,000)	($1,025,000)

Accomplishments in FY 1975 Two major accomplishments in FY 1975 were:

- Funding for the experimental phase of the Education Satellite Demonstration project serving populations in Appalachia, the Rocky Mountains and Alaska was completed. Each area decided what kind of educational programs it needed most and received funds to develop course materials and teacher aids.
    - The Appalachian Regional Commission decided to concentrate on inservice teacher training, offering graduate credit through seventeen universities and fifteen regional education service agencies. An estimated 600 teachers directly participated, with rebroadcasts of the training to 150 school districts extending the audience to another 10,000 to 15,000.
    - The Federation of Rocky Mountain States chose to deliver career education programs to 4,900 junior high school students in 56 rural communities. An additional 5,000 students were reached through rebroadcast by 12 public broadcasting stations. Programs were aired in English, Spanish and three Native American languages. Special materials requested by teachers and programs on health care, land use, consumer information and the environment were also made available to approximately 20,000 adults.
    - In Alaska, consumer committees composed of village representatives, native leaders and State Education Agency representatives selected topics for broadcast in 18 communitiies. Programs included basic oral langugage development and health education. The Alaskan program also promoted intercultural exchange among its different communities by broadcasting a half hour "Alaska Native Magazine" each week.

  The Satellite Demonstration was designed to determine the costs and effectiveness of using such advanced technology to extend education programs to remote regions. An assessment and analysis of the project is currently being conducted.

- As part of the effort to improve school's organizational strategies for planning and decision-making, the Finance and Productivity and Management program supported an award to document and analyze locally developed approaches to school management that have contributed to solving administrative and instructional problems in schools. The contractor will study the activities of nine organizations awarded grants in FY 1974. Limited to schools enrolling low-income children in large urban areas, the FY 1974 grants were made to local education agencies, teacher and business associations, and community organizations. There are approximately 37,000 children in the 32 schools served by these organizations. They have instituted cooperative decision-making programs, new forms of teacher centers and systems of minischools, in an effort to develop workable solutions to their problems. The documentation and analysis activity provides information on how different planning and decision-making tactics work and how they might be useful in other school districts.

OTHER PROJECTS

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	--	--	--	--	--	--	--	--
Grants and Contracts	--	$6,267,000	--	$6,267,000	--	$3,397,000	--	-$2,870,000
TOTAL	--	$6,267,000	--	$6,267,000	--	$3,397,000	--	-$2,870,000

Introduction: A few ongoing projects do not fit the Institute's progam structure as it evolved in response to the concerns expressed by Congress, the National Council on Educational Research, state and local education officials, education associations, and researchers. These project for the most part are being concluded with the expenditures from the requested 1976 budget.

Program Plan for 1976: Funds are requested to support five projects during 1976. First, is the third year of the Response to Educational Needs Project in Washington, D.C. in which 20,000 children in Anacostia participate in a program to increase their reading and mathematics achievement. ($2,300,000) Second, funds are requested to continue NIE support for research in early childhood education in conjunction with the ongoing child study center. ($200,000) Alternatives designed to increase the impact of the research expenditures are being explored, such as the possibility of establishing a preschool program as a demonstration site in collaboration with the Smithsonian Institution. Third, a project to study the achievement, behavior and school program of children with neurological disorders will be supported. ($247,000) To date the project has collected data on the prenatal conditions, birth and developmental history of these children. Fourth, is the 15 year follow up study of the Project Talent data which was first collected through administering tests to a random sample of high school students in 1960. ($250,000) Finally, a study of the strengths of the educational R&D system is planned for FY 1976. ($400,000) Surveys will determine the extent and nature of the participation of non-profit research institutions, for-profit research organizations and State and local education agencies in education R&D. Plans also include synthesis of the data collected by Federal agencies relating to educational R&D.

Accomplishments in FY 1975: Activities relating to early childhood education and education for the handicapped were completed in FY 1975. Results include training methods for early childhood education staff, materials to improve the language, visual and auditory skills of young children and identification of the variables involved in teaching the handicapped. Development of complex curriculum involving aspects of the arts to be used in kindergarten through 7th grade was also completed.

PROGRAM DIRECTION AND ADMINISTRATION

	1975 Estimate		1975 Revised		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel Compensation & Benefits	370	$8,632,000	370	$8,989,000	340	$8,217,000	-30	-$772,000
Other Expenses	---	2,667,000	---	2,667,000	---	2,483,000	---	- 184,000
	370	$11,299,000	370	$11,656,000	340	$10,700,000	-30	-$956,000

Introduction: This section of the budget justification outlines NIE's staffing requirements and related expenses to support the planning, implementation, evaluation, and dissemination of educational research and development projects. This includes providing support services such as maintenance of library and resource center facilities, computer research facilities, and a fellows program which brings in experts (both researchers and school personnel) on a short-term basis to develop, carry out and analyze research activities.

Program Plans for 1976: Major management objectives of NIE planned for FY 1976 center around the 5 main program areas. These program areas are:

- Dissemination -- Ensuring that research results reach the schools and decision makers
- Basic Skills -- How children develop reading comprehension abilities and other basic skills
- Finance, Productivity and Management -- A quality system of education the nation can afford
- Education and Work — Student preparation for life-time careers
- Education Equity -- Removing barriers to education for traditionally excluded populations

To implement the NIE's programs, the Institute is requesting funds to support 340 full-time permanent positions which is a reduction of 30 from the FY 1975 authorized level of 370. These staff will be distributed among programs and central offices as follows:

Task Force/Office	FY 1975	FY 1976	Change
Dissemination	48	53	+5
Basic Skills	54	45	-9
Finance, Productivity and Management	64	58	-6
Education and Work	37	31	-6
Educational Equity	36	43	+7
Central Management and Support	131	110	-21
TOTAL	370	340	-30

Both analyses by NIE personnel and an external management study demonstrated the need for the reduced staff. Variables utilized in determining staff size included:

-dollar level of individual grants and contracts
-number of grants and contracts
-type of project - i.e., evaluation of a project vs. dissemination of a successful curriculum package
-type of awardee, i.e. school system vs. private contractor
-stage of project development, i.e., new initiative vs. project in final stages of completion

Application of two such variables provides the following information.

Task Force	1975 Estimate		1976 Estimate	
	Program Dollars	Number of Projects	Program Dollars	Number of Projects
Dissemination	$5,871,000	71	$18,343,000	107
Basic Skills	12,389,000	121	13,913,000	99
Finance, Productivity and Management	18,499,000	102	18,301,000	116
Education and Work	12,671,000	63	9,908,000	52
Educational Equity (Included amounts for Compensatory Education Study)	8,003,000 *	57	10,438,000	85
Other	6,267,000	7	3,397,000	14

Accomplishments in FY 1975: The following represents highlights of staff accomplishments during FY 1975.

o Developed, in response to Congress and other concerns, a more goal-oriented program of research and development.

o Planned and initiated, subject to Congressional Approval, a National study of Compensatory Education as a basis for reauthorization of the Elementary and Secondary Education Act in 1977.

o Supported 9 meetings of the National Council on Education Research.

o Awarded some 481 grants and contracts.

o Received and answered approximately 4,800 pieces of mail.

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*This amount includes $5 million to carry out the Compensatory Education Study which is supported by the Program Direction and Administration budget.

Program Purpose and Accomplishments

Activity: Dissemination

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
--	$5,871,000	1/	--	$18,343,000

Purpose: Past dissemination programs have not succeeded in making educational research and development outcomes and innovations widely useful to teachers and administrators, in part because effective linkages between R&D and practice have been largely missing in education. Because such linkages must involve people-to-people interactions, the Institute's dissemination effort focuses on people-based service, primarily within State, intermediate (e.g., county offices) and professional information networks (e.g., teacher associations). The proposed dissemination program is designed to make research and development knowledge available directly to teachers and school administrators, as well as assist them in applying that knowledge to the solution of problems.

Explanation: Applications for grant and contract awards are submitted by State education agencies, professional associations, education laboratories and R&D Centers, profit and non-profit organizations in response to program announcements. Proposals will be reviewed by program staff and outside consultants and experts including State Education Personnel.

Grants will, in some instances (e.g. Dissemination State Capacity Building Program), be awarded for up to five years with funds provided in yearly increments. There are no matching fund requirements.

Accomplishments in FY 1975: The 16 Clearinghouses comprising the Educational Resources Information Center network which locate, acquire, abstract, index, and make available significant educational documents were maintained. Planning activities for an intensive dissemination effort in FY 1976 were completed. In addition, up to 30 grants were made to State Education Agencies to develop or improve their capacity to disseminate and implement the results of education R&D.

Objectives for FY 1976: The funds requested will: (a) support up to 40 States as they develop or improve State dissemination programs (b) provide training for up to 2,500 State-designated personnel in intermediate education agencies such as county offices and educational service centers; (c) assist up to 450 local education agencies apply outcomes, research, development, and innovations to their needs; (d) support approximately 10 States in identifying and verifying exemplary local practices; (e) assist up to 4 educational organizations through awards to synthesize research and exemplary practice in reading and career education for use by education personnel; (f) maintain the 16 Educational Resources Information Centers; and (g) undertake experiments to discover and monitor how schools adopt the use of R&D products.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one-year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain for Fiscal Years 1974 and 1975. Through Fiscal Year 1975, appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

Activity: Basic Skills

1975		1976		
Pos.	Amount	Authorization 1/	Budget Pos.	Estimate Amount
	$12,389,000			

Purpose: The Basic Skills Program supports the development of firm knowledge concerning what skills are necessary to function in school and society and how people can obtain them.

Explanation: This effort will be carried out primarily through directed research competitions. Contract and grants awards will be made after review by program staff and outside experts.

Accomplishments in FY 1975: The Basic Skills program brought to completion planning activities for FY 1976 and a number of development programs at the educational labs and R&D centers. These include a variety of reading and mathematics curricular units, materials for teaching middlegrade children how to acquire successful achievement skills and more precise reading evaluation standards. Support was also provided to continue the work in California to identify and measure teacher practices which are unusually effective in teaching children.

Objectives in FY 1976: Activities in FY 1976 will focus on the attainment of basic skills: what level of competence is adequate, how can it be measured and to what extent can schools be held legally responsible for developing these competencies. Studies on how children learn will be supported to help explain why some children do not reach competency in basic skills. A program to improve instruction in reading and mathematics will promote known effective practices, identify other ways schools and teachers are effective, develop new instruction methods and correct the problems in methodology which have inhibited past efforts at identifying and developing effective practices. Finally, in cooperation with Teacher Corps and teacher organizations, the program will test a new type of teacher center which would focus on basic skills.

1/ Legislation will be proposed for the reauthorization of the National Institue of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975, appropriations to the National Institue of Education have totalled $265,057,000 of the authorized $550,000.

Activity: Education Equity

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
--	$3,003,000	1/	--	$5,438,000

Purpose: The Education Equity program is engaged in studying the limitations placed on many students' access to educational programs because of home language and culture, ethnic background, sex or economic status.

Explanation: The work will be carried out through surveys, policy studies, directed research and product development contracts.

Accomplishments in FY 1975: The work of the Education Equity program was primarily directed towards bilingual and bicultural curriculum development in FY 1975. This included the completion and dissemination of bilingual education curricula and teacher training packages for kindergarten through third grade and the completion of the reading and language materials and teacher guides for children in grades 1 and 2 who are members of four Native American tribes in the Pacific Northwest. Another program focused on developing fair and adequate measures of the achievement of culturally or linguistically different children. Finally, as part of NIE's commitment to build the education R&D system, twenty minority Ph.D candidates majoring in the application of sociological research to problems in education received support for tuition and expenses. Ten of these were continued from FY 1974; ten were new candidates in FY 1975.

Objectives in FY 1976: There are four objectives of the Education Equity Program in FY 1976. (1) Efforts to improve elementary and secondary bilingual/multicultural programs and to provide the necessary policy-relevant information will include such activities as the development of unbiased career interest inventories and surveys of current state and local policies, laws and court decisions affecting bilingual education. (2) The initiative directed towards the special educational problems of women will support studies to provide the basis for training programs and policy planning, with a special focus on low-income and minority women. (3) Studies on the process of desegregation and the problem of crime in the schools will develop information to aid policy makers resolve education problems which predominate in metropolitan areas. (4) Plans for FY 1976 also include expansion of the effort to increase the participation of minority professionals who are traditionally excluded from education R&D.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975, appropriations to the National Institute of Education have totalled $256,087,000 of the authorized $550,000,000.

Activity: Education and Work

1975		1976		
		Budget Estimate		
Pos.	Amount	Authorization	Pos.	Amount
--	$12,671,000	1/	--	$9,908,000

Purpose: The Education and Work program focuses on the acquisition of knowledge which can improve the contribution education makes toward developing an individual's ability to choose, enter and progress in the world of work.

Explanation: Awards will be made to State and local education agencies and research and development organizations. Policy studies will also be supported.

Accomplishments in FY 1975: In an effort to provide students information about careers, the Education and Work program has field tested and revised curriculum units and teacher training materials for kindergarten through 12th grade which are designed to improve current vocational and technical education programs. A counseling project to help high school students match their career interests with educational and occupational possibilities began its dissemination phase in FY 1975. In addition, a study of how six school districts plan and implement a career education program has been completed and will be useful in aiding other school systems initiate career education programs.

Objectives in FY 1976: The Education and Work program plans to continue its focus on traditionally neglected groups who are unemployed, underemployed or unmotivated in traditional education programs. In the coming fiscal year, NIE Programs will be expanding efforts to give young people firm information or actual experience in the many careers open to them; to try-out alternative ways of training and counseling dropouts or potential dropouts; and to give high school students a variety of actual career experiences with businesses in the local community. Other NIE programs will provide Federal, State, and local educators with the best information available about ways to establish such programs for students of all ages; about the types of specific skills needed for different occupations; and about the relationship between education and career success.

The FY 1976 decrease in funds for Education and Work in FY 1976 reflects the completion of the research and development phase of the Mountain Plains rural residential training center funded at $5.3 million in FY 1975. $2.7 million is requested for FY 1976.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975 appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

Activity: Finance, Productivity and Management

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
--	$18,499,000	1/	--	$18,301,000

Purpose: The Finance, Productivity and Management program supports research and development projects to assist educational policy makers and practitioners develop their capacity to handle problems brought on by changing school enrollment, limited financial resources, and growing requirements for diverse educational programs.

Explanation: Grants and contracts to continue projects or begin new initiatives will be awarded competitively. Proposals will be reviewed by outside experts before awards are made.

Accomplishments in FY 1975: In FY 1975 the Finance, Productivity and Management program completed operational funding of the Education Satellite Demonstration project which beamed education programs to populations in Appalachia, the Rocky Mountains and Alaska. An assessment and analysis of the project is currently being conducted.

Two communities in Washington State facing the twin problems of school enrollment shifts and declining fiscal resources were provided technical assistance.

In the area of building schools' capacity to solve their own problems, a project to gather information about the planning and decision making tactics used in those schools serving low income children in urban areas which received capacity building grants in FY 1974 was supported.

Objectives in FY 1976: The Institute's program in FY 1976 will focus attention in three areas. First, in the area of school finance, we will support activities to provide states with the information they need to fulfill their responsibilities for school finance reform. Second, projects will study the question of improving the productivity of education through investigating issues in competency-based education and supporting cost saving innovations and practices. Third, in the area of building the management capacity of schools and school districts, effective organizational arrangements will be studied and technical assistance for implementation will be provided. In addition, information and training materials for improving teacher and administrator problem solving skills will be developed as the theory and policy analysis needed to support school implementation of problem solving strategies.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975 appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

Activity: Other

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
--	$6,267,000	1/	--	$3,397,000

Purpose: A few ongoing projects which do not fit the program structure as it emerged from the synthesis of internal and external concerns are placed in this category.

Explanation: Four of these activities are ongoing and awards will be renewal of previous contracts. The fifth program will be competitive awards to conduct surveys.

Accomplishments in FY 1975: Activities relating to early childhood education and education for the handicapped resulted in such products as training modules for early childhood education staff and identification of the variables involved in teaching handicapped children. Curriculum for introducing children in K through 7 to the arts and materials to develop the problem solving skills of middle grade children were also completed .

Objectives in FY 1976: It is proposed to continue the Response to Educational Needs Project in the Anacostia area of the District of Columbia which is upgrading the basic skills of students to aid their transition to work or higher education. Funds are requested to continue support of research in early childhood education in conjunction with the ongoing child study center and continue funding the follow up research on Project Talent, a data base begun in 1960 when tests were administered to a random sample of high school students. The last continuation project involves research on the achievement, behavior and school program of children with neurological disorders.

Work is also proposed to study the strengths of the educational R&D system through surveys of participating research organizations and synthesis of the education related data collected by Federal agencies.

The decrease in funds reflects completion of several research and development projects primarily awarded to educational laboratories and R&D Centers on a non competing basis.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975, appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

Activity: Program Direction and Administration

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
—	$11,657,000	1/	—	$10,700,00

Purpose: The Program Direction and Administration request provides funds to support the planning, implementation, evaluation and dissemination of educational research and development projects by the Institute's staff. It also includes the maintenance of library, computer and resource center facilities and a fellows program to bring in experts (both researchers and school personnel) on a short-term basis to develop, analyze and carryout research activities.

Explanation: The Institute is requesting funds to support 340 full-time permanent positions to implement the programs planned for FY 1976. This is a reduction of 30 from the FY 1975 authorized level.

Accomplishments in FY 1975: Highlights of staff accomplishments include developing, in response to Congress and other constituencies, a goal-oriented program of research and development; planning and initiating, subject to Congressional approval, a National study of Compensatory Education; awarding approximately 481 contracts and grants; and receiving and answering an estimated 4,800 pieces of mail.

Objectives for FY 1976: The major management objectives for FY 1976 center around carrying out the five main program areas planned for FY 1976. These program areas are Dissemination, Basic Skills, Finance, Productivity and Management, Education and Work and Education Equity. Institute staff will be responsible for such functions as monitoring and evaluating an estimated 473 projects, conducting planning studies, analyzing and synthesizing researcher and practitioner findings in order to identify issues and problems the Institute should address.

1/ Legislation will be proposed for the reauthorization of the National Institute of Education. However, Section 414, of the General Education Provisions Act provides for a one-year automatic extension through June 30, 1976 of the current authorization (in the event that work leading to reauthorization has not been completed). The automatic extension Provision would apply to current authorizing legislation which is the General Education Provisions Act - Part A, Section 405 as amended, which provides for $550,000,000 for a three-year period beginning Fiscal Year 1973 to remain available for Fiscal Years 1974 and 1975. Through Fiscal Year 1975, appropriations to the National Institute of Education have totalled $256,057,000 of the authorized $550,000,000.

INTERIM BUDGET REQUEST
(July 1, 1976 through
September 30, 1976)

NATIONAL INSTITUTE OF EDUCATION

Amounts Available for Obligation

	1976	Interim Period
Appropriation	$80,000,000	$20,000,000
Total, obligations	$80,000,000	$20,000,000

Obligations by Activity

	1976 Estimate		Interim Period Estimate	
	Pos.	Amount	Pos.	Amount
Research and Development	---	$69,300,000	---	$17,300,000
Program Direction and Administration	340	10,700,000	340	2,700,000
	340	$80,000,000	340	$20,000,000

Obligations by Object

	1976 Estimate	Interim Period Estimate
Total number of permanent positions............................	340	340
Full-time equivalent of all other positions............................	12	12
Average paid employment..............	367	367
Personnel compensation:		
Permanent positions................	$7,286,000	$1,851,000
Positions other than permanent......	256,000	64,000
Other personnel compensation........	25,000	6,000
Subtotal, personnel compensation..	$7,567,000	$1,921,000
Personnel benefits..................	650,000	162,000
Travel and transportation of persons.	319,000	79,000
Transportation of things...........	15,000	3,000
Rent, communications and utilities..	970,000	242,000
Printing and reproduction..........	85,000	21,000
Other services.....................	985,000	246,000
Project contracts..................	52,668,000	13,900,000
Supplies and materials.............	82,000	20,000
Equipment..........................	27,000	6,000
Grants, subsidies and contributions.	16,632,000	3,400,000
Total obligations by object......	$80,000,000	$20,000,000

JUSTIFICATION

NATIONAL INSTITUTE OF EDUCATION

	1976 Estimate		Interim Period Estimate	
	Pos.	Amount	Pos.	Amount
Personnel Compensation and Benefits	340	$ 8,217,000	340	$ 2,083,000
Other Expenses	---	71,783,000	---	17,917,000
TOTAL	340	$80,000,000	340	$20,000,000

In addition to the Fiscal Year 1976 request, the Institute is requesting $20,000,000 of which $17,300,000 will be used for Research and Development activities and $2,700,000 will be expended for salaries and related expenses of the Institute's personnel.

These funds are being requested for the three-month transition period between Fiscal Year 1976 and Fiscal Year 1977 and will provide only for anticipated continuations to include:

- Dissemination — $8,500,000

  - Continuation of the Educational Resources Information Center Clearinghouses which locate, acquire, abstract, index, and make available significant educational documents.
  - Continue to build people-to-people links between education practice and research and development by (a) training State, local and intermediate personnel; (b) providing funds to local education agencies to allow teachers to learn first-hand about recent innovations and (c) enabling research and development agencies to assist States in using research findings to address locally-defined problems.
  - Continue assistance to States to identify and verify exemplary local practices and allow educational organizations to catalogue research and exemplary practices in reading and career education.
  - Continue the study of the process of implementing selected R&D products and outcomes in a variety of local settings.

- Basic Skills — $2,796,000

  - Continue the development of new teaching practices, particularly those associated with individualized instruction.
  - Continue to support a center which has demonstrated its ability to improve instruction.
  - Support the development and dissemination of evaluation materials that would provide teachers and administrators with strategies for routinely incorporating feedback from evaluations into school practice.

- Education and Work $2,125,000
  - Continue the Experienced Based Career Education Program, a comprehensive high school program that utilizes the community to provide students with nonpaid learning experiences.
  - Continue to develop, through five-minute television spots, career awareness for children ages 4 to 8 about the world of work and the wide variety of ways in which people earn a living.
- Finance, Productivity and Management $3,879,000
  - Continue to support activities to aid the States in fulfilling their responsibilities for school finance reform.
  - Continue studies to improve the productivity of education through competency-based education programs and cost-saving innovations and practices.
  - Continue the evaluation of several Experimental Schools projects.
- Program Direction and Administration $2,700,000
  - Continue to provide salaries and related expenses for 340 full-time permanent employees for three months.

EDUCATION DIVISION

STATEMENT OF VIRGINIA Y. TROTTER, ASSISTANT SECRETARY FOR EDUCATION

ACCOMPANIED BY:

- VIRGINIA B. SMITH, DIRECTOR, FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION
- FRANCIS C. NASSETTA, ACTING ADMINISTRATOR, NATIONAL CENTER FOR EDUCATION STATISTICS
- MARJORIE O. CHANDLER, ACTING DEPUTY ADMINISTRATOR, NATIONAL CENTER FOR EDUCATION STATISTICS
- CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER

BUDGET REQUEST

Senator FONG. The last item we will hear for the Education Division is salaries and expenses for the Assistant Secretary. The request is for $42.8 million, representing an increase of about $14 million over the last year's appropriation. Virginia Trotter, the Assistant Secretary, is here to explain the request including why this budget is going up while most of the service programs are going down. Ms. Trotter?

Dr. TROTTER. Thank you.

On my far right is Virginia Smith, director for the Fund for Improvement of Postsecondary Education. Next to her is Frank Nassetta, acting administrator, National Center for Education Statistics, and at the far right is Marjorie Chandler, who is acting deputy to Mr. Nassetta.

PREPARED STATEMENT

Senator FONG. Your prepared statement will be put in the record.

[The statement follows:]

Mr. Chairman and members of the committee:

I am pleased to have the opportunity to discuss with you the proposed budget for the Office of the Assistant Secretary for Education for fiscal year 1976. The request contains three elements: (1) program support for the Fund for the Improvement of Postsecondary Education; (2) program support for the National Center for Education Statistics, transferred to this Office by the Education Amendments of 1974; and (3) salaries and expenses for these two operational programs and for the Immediate Office of the Assistant Secretary for Education. This request for $42,834,000 for fiscal year 1976--an additional $14,174,000 over the comparable 1975 level--primarily represents an increase in support of the two operational programs of my office, including 41 new positions for the National Center for Education Statistics.

The Education Amendments of 1972 established an Office of the Assistant Secretary for Education to provide direction and supervision for the Education Division. Responsibilities of the Office include development of general policies within the Education Division, coordination of educational activities throughout the Federal level, and facilitation of two-way communication between the public and the Department on educational policy.

In order to effectively handle the role of policy development, two Educational Policy Research Centers were transferred to the Office of the Assistant Secretary for Education from the Office of Education during the second half of fiscal year 1974. The two Policy Centers have fulfilled a unique role in my office as a resource for in-depth and sustained policy analysis, by providing timely information for policy decisions and anticipating information needs in education policy-making. Their products during the past year have helped clarify the complex issues surrounding the use of test scores for allocating Title I funds and assisted in developing a practical means for implementing the new Impact Aid provisions. A minimal increase of $12,000 over the fiscal year 1975 level of $950,000 is being requested in fiscal year 1976 to offset rising costs.

Another policy tool supported in my office is the Federal Interagency Committee on Education (FICE) set up by Executive Order 11761. The purpose of the Committee is to facilitate coordination of educational activities of 30 Federal agencies, in order to identify the Nation's educational needs and goals and from time to time to make policy recommendations to the Department or the President. The Committee meets monthly to receive briefings on major educational issues, exchange information and review reports and recommendations from any of its eleven subcommittees. These subgroups deal with such areas as: graduate education, educational technology, education and work, educational consumer protection, minority education, and environmental education.

The largest increases being requested for fiscal year 1976 in my office are associated with the two program areas of ASE. First, the Education Amendments of 1972 recognized that the "access revolution" of the 1950's and 1960's in postsecondary education had left a number of serious problems, and that postsecondary institutions needed encouragement and help in adjusting to the radically new conditions of the 1970's. In particular, it recognized that the Federal government's continued massive investment in equalizing opportunities for access to postsecondary education required new Federal initiatives to assure that there would be, in fact, a suitable range of learner-centered, cost-effective programs which students could attend.

Accordingly, the Act authorized, and the Secretary of Health, Education, and Welfare implemented, the Fund for the Improvement of Postsecondary Education, a foundation-type grant-making organization under the general supervision of the Assistant Secretary for Education. The Fund is administered by a Director and a small professional staff, and is responsive to a fifteen-member Board of advisors.

Although the Fund's projects have been in the field for only a short time, some for 20 months and most for only 8 months, there are early evidences of substantial success. These include:

- new cooperative and contractual relations between institutions resulting in a more effective use of existing resources
- newly developed programs that respond to the decreased employability of liberal arts graduates in today's labor market by providing simultaneously both a liberal education and an employable skill.
- educational delivery systems without fixed campuses offering new cost-effective services to adult and rural population.
- enrollment increases in private colleges attributable to attractive new programs and outreach efforts.

For fiscal year 1976, the Fund is requesting a budget of $17,500,000, an increase of $6,000,000 over fiscal year 1975.

Our second program, the National Center for Education Statistics, was established in my office by the Education Amendments of 1974 in order to provide the data base necessary for education policy formulation. Functions include the collection of statistics on the condition of education in the United States and abroad, analysis of policy-relevant statistics, and the provision of assistance to State and local educational agencies in improving their statistical activities. The Center consists of three programs: (1) Surveys and Special Studies -- to provide time series and projection data for planning, policy and administrative use; (2) Common Core of Data -- to replace the currently inadequate provision for educational statistics with an integrated system to meet Federal, State, local and institutional needs for planning and management; and (3) National Assessment of Educational Progress -- to collect data on the attainment of students in various age groups and to report changes in attainment over regular intervals.

In addition, a number of continuing activities and one-time studies and surveys have been specifically mandated by Congress. Of these, work has already been initiated on each of the continuing activities, including completion of the first annual report on the Condition of Education, which you have already received. Activities are also underway to ensure completion of the one-time studies. Several have been started during this current year including Sex Discrimination in Education and Safe Schools, while several will be primarily conducted in fiscal year 1976 such as the Bilingual Education study and the Measures of Poverty.

One of the major initiatives for the Center in fiscal year 1976 will be an emphasis on the timeliness, accessibility and policy-relevance of data collected. This includes a fast response survey mechanism for planners and policy makers, increasing coordination of planning programs for policy orientation with Congress, the Executive Branch, Chief State School Officers, and others to shape future statistical programs, and utilizing the policy guidance of the Advisory Council on Education Statistics.

In order to implement these initiatives a total budget of $22,245,000 is being requested for the Center in fiscal year 1976. Of the $7,923,000 increase over the fiscal year 1975 comparable level, $6,100,000 will be necessary for program activities and an additional $1,823,000 for administration. The increase in administration is primarily associated with the request for 41 additional positions for the Center in fiscal year 1976. The additional staff will ensure that emphasis will be placed on the timeliness and policy-relevance of data collection.

At this point I will be glad to answer any questions.

BUDGET HIGHLIGHTS

Dr. Trotter. Our budget has three elements: one, program support for the Fund for the Improvement of Postsecondary Education; two, program support for the National Center for Education Statistics, transferred to this office by the Education Amendments of 1974; and three, salaries and expenses for these two operational programs and for the immediate office of the Assistant Secretary for Education. This request for $42,834,000 for fiscal year 1976—an additional $14,174,000 over the comparable 1975 level—primarily represents an increase in support of the two operational programs of my office, including 41 new positions for the National Center for Education Statistics.

I think this highlights my statement, and we would be glad to entertain any questions you might have.

Senator Fong. You talk about two operational programs at your office. Could you describe them, please?

FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION

Dr. Trotter. Yes. One is the Fund for Improvement of Postsecondary Education, and I would like to have Virginia Smith give you an overview of that program.

Ms. Smith. This program began in 1972, with its first grants made in fiscal 1973. We have now been in existence for 3 years, and are entering our third grant cycle. During the past 2 years, we have funded 160 projects. In the first year we had a ratio of grants to applications of about 1 to 14. In the second year, it was 1 to 28. This year, it looks as though we will not be able to make more grants than 1 out of every 55 applications received. It is a highly competitive program, because of limited funding, and I think that has not been all to the bad, because it means we have been able to select very high quality projects.

We have a philosophy of providing money for improvements addressed to very real problems in very real settings, and our concern then is to try to get improvements which will address the problems and subsequently be carried on without Federal aid. We have accomplished that in the few cases which have already gone through the whole grant cycle. They have had the money, they have put the project in place, and now it is being carried on by other funds rather than Federal funds, and improvements have occurred.

Senator Fong. Where are these funds coming from?

Ms. Smith. In some cases, the funds are coming from State agencies. In some cases, they are coming out of regular institutional allocations. What we provided was not the ongoing operational costs, but the sort of marginal funds needed to create a new improvement; the startup costs, as it were, the initial investment. And the operating costs were then provided by the institutions, sometimes through tuition, sometimes through State or other funding.

Senator Fong. Your agency request was for $20 million, and the present budget is $17.5 million.

Ms. Smith. That is correct. The agency's request was for $20 million. Our present budget is $11.5 million. In the first 2 years, we had level funding of $10 million, and it went up in the third funding cycle to $11.5 million. The President's budget now requests $17.5 million.

NATIONAL CENTER FOR EDUCATION STATISTICS

Senator **Fong**. Does your second operational program——

Dr. **Trotter**. National Center for Education Statistics. Mr. Nassetta will give you a brief overview.

Mr. **Nassetta**. The National Center for Education Statistics has just recently been reestablished by the Education Amendments of 1974. As part of that, three new mandates have been given to the organization. One is to emphasize analysis which in the past we were not mandated to do and did not have the staff to do. Another is to report statistics on foreign education. And the third is to provide technical assistance to the States to improve their statistical and data collection systems.

SURVEYS AND SPECIAL STUDIES

Our program is made up of three major components in order to satisfy these new mandates. The first component is called the surveys and special studies programs. That program is designed to provide time series and projections in collecting data, and including new efforts to conduct mandated studies, to improve timely dissemination of data, to increase the capacity for interpretation of data, and to inaugurate the mandated program of international statistics.

Senator **Fong**. You are asking for $3.5 million more?

Mr. **Nassetta**. $3.5 million more. Of that $3.5 million, $1.295 million is for mandated studies. Now, the studies are specifically mandated studies, in addition to the time series and projection activities mentioned earlier. An example of a mandated study would be one we have been doing in bilingual education, which is one of the major studies mandated; and $1.565 million is for the mandated activities, such as analysis and technical assistance.

So that gives a total of $2.86 million out of the $3.4 million increase, which is specifically oriented toward the new mandates, and the rest is for increasing the regular, normal program in such important areas as teacher supply and demand.

COMMON CORE OF DATA

Now, in addition to that, we have requested an increase of slightly over a million dollars for the second program, which is the common core of data program.

Senator **Fong**. What is that?

Mr. **Nassetta**. The objective of the common core of data program is to establish a system that we and the States agree is needed in order to speedily collect data for both their purposes and ours with common definitions and terminology. They will then have a good idea of what will be collected on a recurrent basis. I emphasize the word recurrent, because there will always be some special requirements you cannot predict. In short, we refer to what will normally be expected by the Federal Government and the States, and requested in cooperation with them. We expect that this program will actually speed up the entire process, because it will eliminate one of the major cause for delays in the whole system; namely, that respondents do not know sufficiently ahead of time what data to put into their own data collecting mechanism. The State people are often hard put to respond to

Federal requirements for data. Having a core of data that is common to the needs of many, many different programs is the fundamental intent here.

As part of that program, we also have a technical assistance component; and some $615,000 out of that $1.2 million is being set aside to set up technical assistance projects, which are specifically oriented to help the States meet their own needs.

NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS

Senator **Fong**. Now, your third program.

Mr. **Nassetta**. The third program is the national assessment for educational progress for which we are asking a $1.5 million increase. That $1.5 million would restore the funding level back to the 1971–72 level. In fiscal year 1973, the Congress appropriated $7 million of which $1 million was not released. We actually were able, because of the delay in releasing the funds, to use some of that money in 1974 and fiscal year 1975. So the impact of the cut to $4.5 million was not fully felt until very recently. It still has had a definite impact. We have had to eliminate, for example, the adult sample. There are four age groups in that National Educational Progress Assessment, one of which is a young adult group. This is a very significant group, because it measures how much you really remember after you have been out of school for a while, of what you supposedly learn in school. It is unfortunate that we have had to cut that group out of some of our assessments. In order to maintain all four age groups, so that we can measure retention of key learnings for use in adult life, we ask that the funding be restored to the 1971–72 level.

50-PERCENT INCREASE

Senator **Fong**. You must have convinced OMB to give you this 50-percent increase. How did you get by them?

Mr. **Nassetta**. Fifty-percent increase in the entire budget?

Senator **Fong**. The total postsecondary fund.

Ms. **Smith**. Actually, the Department initially asked for $20 million, which was more than a 50-percent increase, and that is a tribute to the effectiveness of the program. And we were able to show a very basic need. We spend every year, through the Federal Government, and the State governments, billions of dollars on access to educational institutions, and yet we have very few initiatives, and relatively little money at the Federal level designed to make certain that the quality of that education to which the students have access is excellent. This is what our program is all about, and I think OMB, as well as the Department and the President, recognize that it is essential to have quality education for those students who were investing so much time to get access. It seems to me it is a very, very real need.

Senator **Fong**. It is, then, necessary?

Ms. **Smith**. Yes.

COMPETENCY-BASED EDUCATION

Senator **Fong**. Would you explain exactly what the competency-based learning special focus program is?

Ms. SMITH. I shall try. In some ways, it is quite different from our present educational approach. Let me talk about the differences first. In our present program, we tend to determine that a person has a bachelor of arts degree on the basis of the number of units of college he requires, the number of classes he has attended, the number of courses he has taken; and we say, if he has done these things, he therefore deserves a certain degree. What we do not say, in order to deserve a degree or certificate, or to be called an economist or a nurse or an engineer, is that they should be able to perform certain things, they should have certain kinds of abilities, or combinations of certain areas of skill, understanding, and attitude in order to perform adequately in that role.

Senator FONG. If Johnny passes the eighth grade, he should be able to read?

Ms. SMITH. At the eighth-grade level that is one of the competencies we would expect. Because of this, we have often had a kind of mismatch. As we go along in history, we have had a mismatch between the competencies that a student comes out with and what is needed in a field of work or in the field of citizenship. So what we are talking about in competency education is to recognize two things. First, the exposure to the education should not be the critical determinant of whether or not a person is certified. It should be what he has gained from that educational experience. Second, if you once make that transition to the competencies and abilities he comes out with, then it does not matter where he gets the learning; he could even get the learning before he comes to college—if you know how to assess those competencies, then we do not say he has to spend 4 years in college to get certification. We say, let us look at what competency he has already attained in a variety of other activities or let us look at the competencies he might acquire in a work situation or a volunteer work situation. Let us see what kind of competencies he acquires, and assess those. We can then find, perhaps, that combination of his own experience, plus educational exposure, which will create a set of competencies which will permit him to be certified to be able to perform in a certain role—a certain work role, a certain leadership role.

The philosophy, then, is a philosophy in which one is attempting to determine the outcomes desired by the educational process, and assessing those outcomes wherever they are learned. In that fashion, we think, among other things, we can create people who are much more able to perform; at the same time, perhaps, save money and save resources. The biggest resource that probably goes into the education of the student is his own time, and to recognize that he might have learning in other settings is the recognition of the importance of his activities outside the classroom.

Senator FONG. You are not putting all the emphasis on the degree?

Ms. SMITH. We are putting emphasis on the competencies and abilities he gains, not on the classes he attends.

NATIONAL PROJECTS

Senator FONG. What are these national projects referred to in your justification? Sounds like you want to spend $1.2 million looking at programs that have already proved their effectiveness.

Ms. Smith. Well, half of that is true, half is not true. We have spent, over the last several years, hundreds of millions of dollars in working with low-achieving students who come into college. We have yet to find very good research to indicate which of those programs are effective. A lot of research on those programs suggests that some of them are not particularly effective, yet we go on spending funds because there is need.

Senator Fong. That is what the Board of Education in Hawaii did. They found out that 3-2 was not effective, yet it continued.

Ms. Smith. This is happening at the State levels because the need is very great. The fact is, we do not want to deny the equity of college admission to people who have been low achievers in the past. But we have not yet found ways of analyzing these programs to determine which ones seem to be most effective with most students. One of the problems is, we do not have the appropriate evaluation techniques; another is that, most of the research is done for other researchers, and not for practitioners to the same extent. What the research does not tell us is that certain programs might work very well with certain kinds of students. If we can get that kind of information out of this collaborative evaluation process, I think we can find out which kinds of programs would be suitable candidates for money in the future. We get a lot of requests every year to fund new programs of this sort. We have not funded too many of these programs because we felt we did not know enough about which programs were good for which students. So we have taken this approach in one of our national projects.

With respect to another of the national projects, we found that we wanted to get professors into a situation where they were more concerned with teaching than they were with certain other roles in the institution. In order to do that, last year we had a project which offered to fund certain kinds of activities. We got a few interesting proposals that were in fact funded, but there were a lot of other activities which we have observed going on around the country that seem very good, that do not get visibility, that do not get the kind of dissemination bases that they should have. So this year, we decided that what we ought to do is have a national cooperative project on this topic. We are not funding the local activity, but rather a collaborative approach which examines these efforts which are funded elsewhere, and tries to get them disseminated to other institutions. It is an evaluation and dissemination activity related to projects which the institutions themselves fund for the purpose of making teachers more concerned with improving their performance in the classroom, outside the classroom, in any interaction with the students. We have obtained some very, very interesting applications.

Many of the proposals that we get for future activities are pie-in-the-sky proposals. They say, if you will give us a half a million dollars, we will do this. We think it is more important, in this particular area, not to speculate on what they might do if they had all the resources in the world, but to focus on what they are doing with the resources they have, and to ask if there is a way that we can mine those resources, mine those programs, to give to other people useful realistic information about what works and doesn't work.

Senator Fong. And it would be much cheaper if you could find what they are doing.

Ms. Smith. We would hope it would be much cheaper.

EDUCATIONAL POLICY RESEARCH CENTERS

Senator **Fong**. I am afraid your budget justification for the policy research centers leaves us cold. These centers seem to be duplicating work already done in other parts of HEW. Can your give us an explanation?

Dr. **Trotter**. These are education policy research centers to sustain policy analysis, and what they do is special work. We need support within the Office to make policy decisions. Many of these decisions are made in cooperation with the staff in the Secretary's Office as well. The centers do a special analysis when a problem comes up that we need a quick answer for. They are also really helping us as we begin to look at what we might do with school finance, both secondary, elementary, and higher education and education and work. Is there something that we can do a better job with if we have a basis for the kinds of decisions we make? That is what we are really using these centers for. Our staff is small; the centers are a reinforcement of the total Education Division staff, to help make better decisions at a policy level. This is not the research or implementation level; it is a policy level to really help the division itself, the total division, not just NIE or the Fund or the Office of Education. It is to help the total division as we formulate policy decisions.

Senator **Fong**. These questions come up all the time in this committee, where we find one program that is overlapping the other. For example, in the analysis of programs for the disadvantaged, $9.5 million already set aside for title I evaluations. In another case, improving the relationships with schoolwork; the career education program at NIE is supposed to be doing this.

But the real concern of this committee is, we do not duplicate effort.

Dr. **Trotter**. That is right. It is one of the functions of the Office of the Assistant Secretary to coordinate all of the work that is being done in NIE, OE, the Fund and the NCES—this is really what we are doing here. This is to see that there is no overlapping, to see that we do dovetail what is being done, and reinforce each other in terms of the programs that we have. It is going to take all these efforts, including the policy centers, to really make the kind of impact that we would like to make, but we do need to know what each other is doing, and we are doing this in concerted effort, letting one program reinforce another.

Senator **Fong**. You are the policeman?

Dr. **Trotter**. That might be it.

NCES PUBLICATIONS

Senator **Fong**. According to your justification for the statistics program, you put out 55 different publications. To whom do they go? What have they done to improve education? You are asking for another 41 people, for a total of 212 in the statistics program. Am I correct in assuming that you do all the statistical work in-house?

Dr. **Trotter**. No. We do use contracts on projects. In spite of the many thousands of these publications, they represent only the very tip of what you might say is an iceberg of data that we disseminate. The publications are the last thing to come out. In spite of this many thousands of these publications are sold by the Government Printing

Office. However, the most important aspect of our services is getting data out earlier than the formal publication. We are planning to disseminate information, and we are already disseminating information in many, many other ways besides those publications. Each one of those other ways is designed to provide information much, much earlier. For example, we are now releasing on computer tape and in preliminary publication information that is only partially edited. We do not wait until all information is fine-tuned and everything is perfect; instead, we get information to people 12 to 18 months before the formal publication is distributed. So who gets the data is just a tremendous number of people.

Last year we responded to over 10,000 requests for information. As an example, there are over a 1,000 requests that we handle each year from Congress and congressional staff members, either by mail or by phone. Those who do not show up in those publications, or on the tape dissemination system——

Senator FONG. Excuse me, I am due to go to a conference.

JUSTIFICATION

Mr. NASSETTA. I wonder if I could put in the record the justification.

Senator FONG. Yes.

[The justification follows:]

Justification

Additional Requests for Information from the National Center for Education Statistics

Last year the National Center for Education Statistics (NCES) filled over 400 orders for computer tapes, and responded to over 500 requests for special tabulations.

The data disseminated by the Center are used for a variety of planning policy making and management purposes at the Federal, State and local level For example, at the Federal level, the data are used as a basis for computing allotments of Federal funds to States, in program management and evaluation, and as a guide to the development of legislation. At the State level, NCES data--much of which is collected with State cooperation--are also used for administration, planning and decision-making. For example, many States use such data to support budgetary requests to their own legislatures, citing not only data for their own States and institutions, but also data for other States, peer institutions and the Nation as a whole. Hawaii is a good example; indeed, a journalist from the Honolulu Advertiser is now working full time at just such an effort at the higher education level.

Request for Additional Positions

The purpose of requesting forty-one additional staff is to improve timeliness and quality, to improve policy relevance and to increase technical assistance to the States. To improve timeliness under present staff limitations, NCES is making many managerial and procedural improvements. To improve it to the point required by major users, NCES also needs eleven additional positions. This added staff will enable the Center to monitor contracts more closely and to review and revise contractor products more speedily, to provide specific technical assistance/consultation to respondents, and to increase the capability for programming data for early direct access by computer.

Twenty-two of the new positions are requested to conduct the newly mandated activities (such as the Consortium and the Condition of Education report), and to respond to the mandate for policy relevant data and analyses. The Center is undertaking many changes to improve policy relevance of data. For example, the Center is shifting its emphasis from a program of descriptive and institutional statistics toward one which will yield more information on target groups of individuals, and on specific educational program areas (e.g. handicapped and bilingual). NCES is also broadening its focus to include the entire spectrum of postsecondary education, and educational statistics from foreign countries. In both short and long term planning, NCES will give more emphasis to Congressional concerns, to feedback from users and to analysis of educational statistics in relation to the social context in which education occurs.

The remaining eight positions are needed to provide the practical technical assistance to the States as specifically called for by the Education Amendments of 1974, and to provide effective management of the larger and more complex program of NCES service to the Congress, the Executive branch, and the education community and public.

Senator STEVENS. This program is only 2 years old—is it too early to tell whether these projects are working?

Ms. SMITH. No, I don't think it is too early. Despite the fact that most of our projects have been in the field less than 18 months, we are now getting returns which suggest that our strategy of supporting reality-based improvements is working, indeed. A number of small private colleges in the Associated Colleges of the Midwest, for example, were concerned about the fact that they were not able to provide occupational education along with liberal arts education. Rather than building that capacity on their own campuses in a costly way which would have been difficult, they coordinated with Rush Medical Center to create a medical technicians option for their students. These colleges now report an increase in enrollment as a result of having that option available to entering students. Fund support was limited to 1 year, but it had the desired effect, providing that modest investment fund necessary to launch the idea.

Again staying with private college projects for the moment, four other such projects, located in urban and rural settings, have also reported significant increases in enrollment after 1 or 2 years of support from the fund. These projects provide modest grants to assist colleges in changing their purposes and programs, or clientele served, after they have demonstrated in their proposals the kind of self-analysis and planning which would allow these grants to be sound investments.

The budget justification for the fund program includes descriptions of three additional projects which have achieved promising early results; these projects involve a State-supported, alternative community college in New Jersey; a State higher education system; and an urban 2-year college in California.

In addition, we have supported the successful implementation of community-based educational programing via cable television located in Montana and Ohio; the latter service has now been extended to western Kentucky and eastern Indiana. After 18 months of support from the fund, both are now fully operational, providing a range of services to their communities. Finally, after 2 years of support from the fund, two colleges serving native Americans with centers located in reservations, have secured local funding to fully continue these services after termination of Federal support. These projects are located in Arizona and Nebraska.

Senator STEVENS. We are told that private colleges are in serious trouble—due to declining enrollments and revenues. What can the fund program do to assist this sector of institutions?

Ms. SMITH. Some of the examples I have already given indicate some ways in which the fund can be quite helpful. That is, modifying their programs in order to attract new clientele, or to serve existing students more effectively and efficiently.

New forms of collaboration and contracting among institutions provide other approaches which we are currently supporting, and which seem to hold great promise. In Massachusetts, we are supporting a consortium of four private colleges and one public university in which they are making joint faculty appointments. In this way, the small private colleges can obtain the services of four faculty members for the price of one salary. We are also supporting a project in which a liberal arts college has contracted with a proprietary trade school to provide an occupational education option for its students.

Too often, it is thought that someone must provide large, underwriting support to struggling private colleges to be of help. Our projects are suggesting, however, that, at a relatively low cost, many of these colleges can greatly increase their strength and vitality.

Senator STEVENS. Have any of these project activities continued after the termination of Federal funding, or do they cease when the money stops?

Ms. SMITH. Yes; a good number of those which I have been discussing have continued quite actively after a period of support. I think we have been successful in this way because of our strategy—which is to provide support for activities which are both realistically attainable within 1 to 3 years and crucial to the present and future well-being of a college. We are not categorical in that sense—we can provide support for a comprehensive plan of action, not just a piece of the activity.

We also place a very high priority on an applicant's plans for continued support, and this attention has paid off. In Vermont and New Jersey, new and innovative community college programs initially supported by the fund are now fully incorporated into the State systems. Several counseling and service projects are testing out fee-for-service approaches, through which it may be possible for them to continue on a self-sustaining basis.

Senator STEVENS. Please describe the proportion of applications received and funded over the different years the fund has been in existence, including the projected proportion for this year.

Ms. SMITH. There appears to be a very great and increasing demand for our kind support. In our first year, 1973, we were able to fund one out of every 14 applicants; in 1974, the ratio was one for every 28 applicants; this year, it will be one grant for every 55 or 60 applications. These figures indicate why is is so important to us to obtain the requested budget increase.

Senator STEVENS. What is the average size of a grant from the fund and how many years does the average grant cover?

Ms. SMITH. Our grants have averaged approximately $80,000 per year. Our policy is to provide support for projects for periods up to 3 years. This again reflects the short-term, seed-money philosophy which I discussed earlier.

Senator STEVENS. Has the fund been placed under any kind of restrictions with regard to projects which could be funded with previous years' budgets and, if so, how would this years' projected budget change this limitation?

Ms. SMITH. Primarily, we have been simply unable to provide support for a large number of fine applications because of our limited program budget. As the above figures indicate, we have been swamped with large numbers of proposals, many more good ones then we have the budget to support.

Senator STEVENS. How does the mission of the fund differ from that of cooperative education?

Ms. SMITH. The cooperative education program can support activities in which students are provided work experiences outside the classroom. Such activities are also eligible for support under the fund's legislation, but we, of course, can also provide support for much more comprehensive plans for improvement in postsecondary education. When proposals outlining such activities are submitted to the fund, our staff makes careful checks with such other programs to determine the status of such proposals.

Senator **Stevens**. How many new projects could result from the increase in the budget for the fund?

Ms. **Smith**. If we obtain the requested increase of ~~$6~~ million, we could support approximately 75 new projects with these funds, and 90 new projects in all.

Senator **Stevens**. If the increase is not granted, how much of the fund's budget would have to go towards the continuation of old projects?

Ms. **Smith**. Without this increase, we estimate that $8.5 million of the total budget of $11.5 million will be committed for continuation activities. In other words, if we receive next year the same number of applications as this year, we will be able to support only one application out of 90 if we receive level funding.

Senator **Stevens**. What kind of new competitions and purposes have you planned for use with the projected additional money for the fund in this year's budget?

Ms. **Smith**. As our budget narrative indicates, these new funds would be particularly helpful in broadening and expanding our attempts to strengthen and improve postsecondary education's ability to educate and train competent manpower for today's society. This would be accomplished in part through new project starts for improved counseling and referral services, competency-based educational programs, and improved services for older adults in need of retraining. Still, a significant portion of these new funds would be allocated through the comprehensive program, which provides the field with wide latitude to tell us what particular approaches are most effective and realistic within these priority areas.

JUSTIFICATION

Senator **Fong**. I have no further questions. We will make sure the congressional budget justification for this account is inserted for the record.

[The justification follows:]

Justification

Appropriation Estimate

Salaries and Expenses

For necessary expenses to carry out [section 402] *sections 402, 404, and 406*[1] of the General Education Provisions Act, [$2,307,000] *$42,834,000, of which not to exceed $1,500 may be for official reception and representation expenses.*[2]

[Improvement of Postsecondary Education]

[For carrying out, to the extent not otherwise provided, section 404 of the General Education Provisions Act, $11,500,000.]

For "Salaries and expenses" for the period July 1, 1976, through September 30, 1976, $5,599,000; of which not to exceed $400 may be for official reception and representation expenses.

Explanation of Language Changes

1. The Fund for the Improvement of Postsecondary Education, section 404, and the National Center for Education Statistics, section 406, have been incorporated into this appropriation for Salaries and Expenses for the Office of the Assistant Secretary for Education.

2. Language has been added to provide for official representation costs.

Language provision	Explanation
"...of which not to exceed $1,500 may be for official reception and representation expenses."	There is no authorizing legislation for this provision. However, as spokesman for the Department on educational affairs, the Assistant Secretary for Education is frequently involved in receptions for officials of the educational community. This language would provide a minimal allowance for such costs for the Assistant Secretary for Education, the Commissioner of Education, and the Director of the National Institute of Education.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

EDUCATION DIVISION

Office of the Assistant Secretary for Education
Salaries and Expenses

Amounts Available for Obligation [1]

	1975 Revised	1976
Appropriation	$13,807,000	$42,834,000
Proposed pay supplemental transfer	56,000	---
Subtotal, adjusted appropriation	13,863,000	42,834,000
Comparative transfers from:		
"Salaries and expenses, Office of Education" (National Center for Education Statistics, including proposed pay supplemental transfer of $127,000 transferred to the Office of the Assistant Secretary for Education)	12,817,000	---
"Salaries and expenses, Office of Education" (Transferred to the Office of the Assistant Secretary for Education for the Educational Policy Research Centers)	475,000	---
"Salaries and expenses, Office of Education" (Transferred to the National Center for Education Statistics for Congressionally-mandated studies)	775,000	---
"Elementary and Secondary Education, Office of Education" (Transferred to the National Center for Education Statistics for Congressionally-mandated Bilingual study)	730,000	---
Total, obligations	28,660,000	42,834,000

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[1] Excludes $461,000 from restoration of the 1973 appropriation in fiscal year 1975.

Summary of Changes

1975 Estimated obligations..	$28,477,000
Plus: 1975 Proposed pay supplemental transfer........................	+183,000
Subtotal, 1975 Revised obligations...........................	28,660,000
1976 Estimated obligations..	42,834,000
Net change..	+14,174,000

	1975 Base		Change from Base	
	Pos.	Amount	Pos.	Amount
Increases:				
A. Built-in:				
1. Annualization of increased pay costs......................	---	$ 183,000	---	$ +161,700
2. Annualization of increased health benefits...............	---	---	---	+22,800
3. Annualization of new positions.	---	---	---	+587,700
4. Within-grade increase...........	---	---	---	+36,500
5. Extra paid day.................	---	---	---	+22,200
6. Rent, communications and utilities.....................	---	144,500	---	+235,500
Subtotal.....	---	---	---	+1,066,400
B. Program:				
1. Fund for the Improvement of Postsecondary Education......	---	11,500,000	----	+6,000,000
2. National Center for Education Statistics:				
(a) Surveys and Special Studies..................	---	5,590,000	---	+3,410,000
(b) Common Core of Data.......	---	475,000	---	+1,190,000
(c) National Assessment of Educational Progress....	---	4,500,000	---	+1,500,000
3. Program Direction and Support Services:				
(a) Educational Policy Research Centers........	---	950,000	---	+12,000
(b) Other administrative expenses.................	241	---	+41	+1,007,600
Subtotal.....	241	---	+41	+13,119,600
Total, increases..	241	---	+41	+14,186,000
Decreases:				
B. Program:				
1. Supplies and materials.........	---	52,000	---	-12,000
Subtotal.....				
Total, decreases..	---	---	---	-12,000
Total, net change.........................	---	---	+41	+14,174,000

Explanation of Changes

Increases:

A. Built-in:

1. The increase of $161,700 will provide for annualization of the 1975 increased pay raise for the Office of the Assistant Secretary for Education: $26,700 for the Assistant Secretary for Education and $135,000 for the National Center for Education Statistics.

2. An additional $22,800 will provide $5,800 for the Assistant Secretary for Education and $17,000 for the National Center for Education Statistics for mandatory increases in the Federal share of health benefits.

3. The increase of $587,700 will support a greater number of man-years in fiscal year 1976 resulting from filled positions in fiscal year 1976 which were not filled until late in fiscal year 1975.

4. The additional $36,500 will provide for personnel scheduled to receive within-grades during fiscal year 1976: $10,000 for the Assistant Secretary for Education and $26,500 for the National Center for Education Statistics.

5. The increase of $22,200 will provide for the extra paid day in fiscal year 1976: $6,100 for the Assistant Secretary for Education and $16,100 for the National Center for Education Statistics.

6. An increase of $235,500 is required for the Office of the Assistant Secretary for Education in fiscal year 1976 for rent and communications. Of this, $41,000 is associated with mandatory rent increases for ASE. In addition, the National Center for Education Statistics, which in the past has been serviced by the Office of Education, will begin paying its own rent expenses for an increase in their budget of $194,500.

B. Program:

1. The increase of $6,000,000 will provide an additional 70 new projects for the Fund for the Improvement of Postsecondary Education, for a total of 175 projects in fiscal year 1976.

2. (a) An increase of $3,410,000 is requested for the Surveys and Special Studies program. Of this increase, $1,295,000 is associated with the studies Congressionally-mandated by the Education Amendments of 1974. The remaining money is related to increased emphasis on timeliness, quality, and accessibility of data from high priority activities, and for obtaining more policy relevant data.

   (b) The $1,190,000 provides for continued expansion of the Common Core of Data program in which statistics collected through a national field test will be used to evaluate the quality of the Federal core of data for elementary and secondary education. Mechanisms will also be established to test the availability of postsecondary data to assure that established data standards have been met.

   (c) The increase of $1,500,000 is requested to expand the work of measuring the educational attainment of students and reporting changes in attainment over regular intervals.

3. (a) An additional $12,000 is being requested for the Educational Policy Research Centers administered by the Office of the Assistant Secretary for Education to partially cover rising costs. The project has had level funding for several years.

(b) An increase of $1,007,600 will be required to provide for additional printing, equipment and program costs for the Office. Of this, an increase of $50,000 is requested for the immediate office of the Assistant Secretary for Education and $982,600 is associated with 41 new positions requested by the National Center for Education Statistics.

Decreases:

B. Program:

1. The amount needed for supplies in fiscal year 1976 represents a $12,000 reduction over 1975 because of non-recurring costs.

Obligations by Activity 1/

	1975 Estimate Amount/Pos.	1975 Revised Amount/Pos.	1976 Estimate Amount/Pos.	Increase or Decrease Amount/Pos.
Fund for the Improvement of Postsecondary Education..	$11,500,000 (---)	$11,500,000 (---)	$17,500,000 (---)	$ +6,000,000 (---)
National Center for Education Statistics:				
(a) Surveys and Special Studies..............	5,590,000 (---)	5,590,000 (---)	9,000,000 (---)	+3,410,000 (---)
(b) Common Core of Data....	475,000 (---)	475,000 (---)	1,665,000 (---)	+1,190,000 (---)
(c) National Assessment of Educational Progress.	4,500,000 (---)	4,500,000 (---)	6,000,000 (---)	+1,500,000 (---)
Program Direction and Support Services.........................	6,412,000 (241)	6,595,000 (241)	8,669,000 (282)	+2,074,000 (+41)
Total, obligations.......	28,477,000 (241)	28,660,000 (241)	42,834,000 (282)	+14,174,000 (+41)

1/ Excludes $461,000 from restoration of the 1973 appropriation in fiscal year 1975.

Obligations by Object 1/

	1975 Estimate	1975 Revised	1976 Estimate	Increase or Decrease
Total number of permanent positions................	241	241	282	+41
Full-time equivalent of all other positions..........	10	10	10	-0-
Average number of all employees................	233	233	273	+40
Personnel compensation:				
Permanent positions......	$ 4,165,300	$ 4,338,300	$ 4,929,000	$ +590,700
Positions other than permanent..............	218,200	227,200	315,000	+87,800
Other personnel compensation.................	25,000	26,000	49,000	+23,000
Subtotal, personnel compensation.......	4,408,500	4,591,500	5,293,000	+701,500
Personnel benefits.........	393,600	393,600	523,000	+129,400
Travel and transportation of persons...............	187,800	187,800	325,000	+137,200
Transportation of things...	3,000	3,000	3,000	-0-
Rent, communications and utilities...............	144,500	144,500	380,000	+235,500
Printing and reproduction..	17,000	17,000	407,000	+390,000
Other services............	184,600	184,600	633,500	+448,900
Project contracts........	11,540,000	11,540,000	17,669,500	+6,129,500
Supplies and materials.....	52,000	52,000	40,000	-12,000
Equipment.................	46,000	46,000	60,000	+14,000
Grants, subsidies and contributions............	11,500,000	11,500,000	17,500,000	+6,000,000
Total obligations by object...............	28,477,000	28,660,000	42,834,000	+14,174,000

1/ Excludes $461,000 from restoration of the 1973 appropriation in fiscal year 1975.

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation requested
General Education Provisions Act:		
Section 402 — Assistant Secretary for Education..........................	Indefinite 1/	$ 8,669,000
Section 404 — Support for improvement of postsecondary education............	2/	17,500,000
Section 406 — National Center for Education Statistics..................	$25,000,000	16,665,000

1/ Includes an authorization of $10,000,000 for the National Center for Education Statistics in fiscal year 1976 for Salaries and Expenses.
2/ Authorization expires June 30, 1975; new authorizing legislation is proposed.

Salaries and Expenses, Assistant Secretary for Education

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1973	$32,773,000	$ 1/	$31,773,000	$31,026,000
1974	35,54[illegible],000	25,761,000	19,761,000	24,261,000
1975	35,606,000	28,847,000	28,477,000	28,4[illegible],000
Proposed Supplemental Transfer	183,000 2/			
1976	42,834,000			

1/ Not considered by the House.

2/ Represents a proposed transfer from the Office of Education for civilian pay raise.

Justification

Salaries and Expenses

	1975 Estimate 1/ Amount/Pos.	1975 Revised 1/ Amount/Pos.	1976 Amount/Pos.	Increase or Decrease Amount/Pos.
Personnel compensation and health benefits...........	$ 4,802,100 (241)	$ 4,985,100 (241)	$ 5,816,000 (282)	$ +830,900 (+41)
Other expenses...............	23,674,900 (---)	23,674,900 (---)	37,018,000 (---)	+13,343,100 (---)
Total..................	28,477,000 (241)	28,660,000 (241)	42,834,000 (282)	+14,174,000 (+41)

General Statement

The Office of the Assistant Secretary for Education is responsible for direction and supervision of the Education Division, including policy coordination and management and administration of several programs. As part of the function of the Office, the Assistant Secretary for Education provides leadership for the education activities of the Department; serves as the key spokesman and advocate for education in assuring that the Department provides professional and financial assistance to strengthen education in accordance with Federal laws and regulations; and serves as Chairman of the Federal Interagency Committee on Education, set up by Executive Order 11761 to coordinate educational programs and policies throughout the Federal level. In addition, the Assistant Secretary serves as the principal advisor to the Secretary of Health, Education, and Welfare on education affairs.

This appropriation provides for administrative expenses associated with the development and communication of education policy and for carrying out the two program areas located within the Office. These two areas are the Fund for the Improvement of Postsecondary Education and the National Center for Education Statistics which was transferred to the Office of the Assistant Secretary for Education in 1975 from the Office of Education as authorized by the Education Amendments of 1974. In addition, this account provides continued contractual support of policy analysis activities relevant to the Office's responsibility for policy development.

1/ Excludes $461,000 from restoration of the 1973 appropriation in fiscal year 1975.

Fund for the Improvement of Postsecondary Education

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
(a) New awards..	---	$ 4,500,000	---	$ 4,500,000	---	$ 9,000,000	---	$+4,500,000
Number....		45		45		90		
(b) Non-competing continuing awards.....	---	7,000,000	---	7,000,000	---	8,500,000	---	+1,500,000
Number....		80		80		85		
(c) Competing continuing awards.....	---	-0-	---	-0-	---	-0-	---	-0-
Number....		-0-		-0-		-0-		-0-
Total.....	---	11,500,000	---	11,500,000	---	17,500,000	---	+6,000,000

NARRATIVE

Program Purpose

The Fund, which was established by the Education Amendments of 1972, was created to improve the effectiveness of postsecondary education by encouraging the reform and improvement of existing policies and practices in the field.

Funding Mechanism

Grants and contracts are awarded to postsecondary education institutions and agencies to support projects demonstrating new and exemplary approaches to postsecondary education, or adding to the understanding of successful approaches. Proposals may be submitted under three types of programs:

-- the comprehensive program which provides incentives for field-generated ideas for change within broad areas,

-- the special focus programs which are designed to target funds in more specifically defined areas, and

-- the national projects which are designed to further the assessment and communication of effective practice in designated areas of activity.

Plans for Fiscal Year 1976

The 1976 budget requests $17,500,000 for the Fund's program activities, an increase of $6,000,000 over the 1975 level. Of the amount requested, $8,500,000 is for the continuation of existing projects, and $9,000,000 is for new starts.

Funds for new starts will be allocated for the following purposes:

-- New starts in the Comprehensive Program -- Up to $4,000,000 will be used for support of projects which in large part, will focus upon the interrelationships between postsecondary education programs and services and work-related concerns.

-- Competency-based Education and Ceritfication -- Up to $1,500,000 will be used for support of new projects in this area, also a priority in fiscal year 1975. In addition to funding projects which seek to improve and sharpen educational goals and assessment procedures within institutions, support will be given to projects designed to improve occupational licensing and examining practices.

-- Improving Techniques and Process for Assessing the Quality of Educational Programs -- Up to $2,000,000 will be used for projects demonstrating improved approaches to the determination of the quality and effectiveness of educational programs. Potential students, policy-makers, and those providing funds for postsecondary education want to know to what extent a specific program or institution is accomplishing its objectives and performing effectively. Improved approaches to accreditation practices will be included as a concern in this competition.

-- Improving Conditions for Student Choice -- Up to $1,500,000 will be used for counseling and information dissemination projects designed to enhance the ability of students to make more effective decisions about their future educational and career plans. The kinds of decisions involved could include whether or not to seek a postsecondary education, and, if so, from what type of program and/or institution. These program activities will build upon and expand the initiatives begun in 1975 through the National Projects competition.

A significant number of the projects to be supported in 1976 within these program areas will be directed toward the revitalization of postsecondary education's historic role in providing competent, trained manpower to the economic sector of society--a function whose current effectiveness has been brought into question by a number of changes in both the labor market and in the clientele served by postsecondary education. These program areas will enable the Fund to support strategies for improvement of this role at several critical junctures, including:

-- improved individual choice of education and career through more effective counseling and information services;

-- improved match of job requirements and educational programs through competency-based approaches and field and work-based programs;

-- broadened options for learning, through the development of new linkages between liberal arts and vocationally-oriented programs;

-- encouragement of learning as a lifelong activity, through programs and services more responsive to the need of working people, older adults and to professionals as they acquire complex management responsibilities;

-- more effective utilization of existing learning resources through the improved assessment of prior learning, wherever it occurs; and

-- development of educational programs which move away from single-purpose occupational training toward more flexible career opportunities.

In 1976, new grants awarded within these program areas and directed toward this priority issue will total approximately $6,000,000.

Accomplishments and Objectives 1974/1975

In 1974, its second year of operation, the Fund sponsored three program competitions: the Comprehensive program, also sponsored in 1973, and two new special focus competitions which targeted funds in specified priority areas. More than 2,800 proposals were submitted to these three competitions, and 10[illegible] new and 26 continuing projects were selected to receive awards. In the selection of these proposals, the Fund staff was aided by the comments of its Board of Advisors and the State-level postsecondary education commissions.

Encouraging results are now being reported from these initial projects sponsored in fiscal years 1973 and 1974. For example:

-- Several small, private colleges facing fiscal and enrollment shortfalls were supported in their attempts to develop more viable missions and to serve new types of student clients; these have reported significant increases in enrollment and corresponding increases in tuition income during the period of support from the Fund.

-- A populous county in New Jersey, previously required to purchase community college services from other regions of the State, has successfully petitioned for State and local authorities to create an alternative institution which utilizes the programs of existing private colleges within the county to provide for its residents' educational needs. The Fund provided start-up and planning support for this effort; the costs for this enterprise are now shared by the State and county.

-- 70 percent of the institutions in a State higher education system have now initiated steps to revise their procedures and criteria for making faculty promotion and tenure decisions in order to place more emphasis on teaching effectiveness. The Fund supported the development and adaptation of these new approaches.

-- A two-year, public urban college in California has developed a successful counseling and placement service for adult, low-income women from its community. After two years of support from the Fund, the attrition rate for this group of students is significantly lower than that for the college as a whole. Two related service programs have now been initiated by the college as the result of this initial success, and the project's evaluation design has been accepted by the President as a model for the entire institution.

During fiscal year 1975, the Fund will use approximately $4,500,000 of its total program budget of $11,500,000 to initiate new projects. The balance will be required for the continuation of on-going projects. Approximately $3,300,000 of the new start funds will be used to support new projects in the Comprehensive Program and the competency-based learning Special Focus Program, both of which were sponsored in 1974.

In addition, the Fund will use $1,200,000 to initiate three "national projects", a new program strategy designed to identify, assess, and communicate to the field on-going, effective programs within colleges in identified priority areas. This strategy will enable the Fund, at a relatively low-cost, to obtain maximum benefit from existing improvements in the field, regardless of their source of financial support. In 1975, the three national projects include:

-- Alternatives to the Revolving Door: Effective learning for low-achieving students, in which institutions sponsoring approaches with demonstrated success in meeting the needs of under-prepared students will be invited to participate.

-- Elevating the Importance of Teaching, in which institutions demonstrating success in strengthening the teaching function of their faculties will be invited to participate.

-- Better Information for Student Choice, in which institutions and agencies demonstrating a commitment to providing potential learners with improved information regarding their educational options will be invited to participate.

National Center for Education Statistics

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Activities:								
(a) Surveys and Special Studies....	---	$ 5,590,000	---	$ 5,590,000	---	$ 9,000,000	---	$+3,410,000
(b) Common Core of Data....	---	475,000	---	475,000	---	1,665,000	---	+1,190,000
(c) National Assessment of Educational Progress...	---	4,500,000	---	4,500,000	---	6,000,000	---	+1,500,000
Total........	---	10,565,000	---	10,565,000	---	16,665,000	---	+6,100,000

NARRATIVE

The Education Amendments of 1974 establishes the National Center for Education Statistics (NCES) within the Office of the Assistant Secretary for Education. The Act states that the Center shall:

"(1) collect, collate, and, from time to time, report complete statistics on the conditions of education in the United States;

(2) conduct and publish reports on specialized analyses of the meaning and significance of such statistics;

(3) assist State and local educational agencies in improving and automating their statistical and data collection activities; and

(4) review and report on educational activities in foreign countries."

In addition, a number of continuing activities and one-time studies and surveys are specifically mandated in order to provide information to support policy determination. As legislated, this represents an expanded program for NCES and forms the basis for a requested increase from $10,565,000 in program dollars for fiscal year 1975 to $16,665,000 for fiscal year 1976.

Funding Mechanism

Program funds are primarily spent on contracts, with NCES staff monitoring and reviewing for quality of performance and adherence to budget and schedule. Cost sharing contracts with State agencies are used modestly.

A. Surveys and Special Studies

	1975 Base	1976 Estimate	Increase or Decrease
(a) New awards......................	$3,145,000	$4,070,000	$ +925,000
Number..........................	16	18	
(b) Non-competing continuing awards........................	1,195,000	1,570,000	+375,000
Number........................	10	18	
(c) Competing continuing awards....	1,250,000	3,360,000	+2,110,000
Number........................	10	22	
Total........................	5,590,000	9,000,000	+3,410,000

Program Purpose

The Statistical Surveys and Special Studies (SSS) program provides data for planning, policy and administrative use by Federal, State, local and institutional decision makers. This includes data bases to support the allocation of Federal funds, to assist in evaluating the impact of certain Federally-funded programs, and to provide documentation for program reports required by Congress and the Executive Branch.

Plans for Fiscal Year 1976

The surveys and statistical studies planned for fiscal year 1976--requiring an additional $3,410,000 over fiscal year 1975--expand the scope of NCES as legislated by the Education Amendments of 1974. Priority is placed on: (1) statistics on key educational issues for policy use; (2) improved data dissemination; (3) analysis in support of policy makers; (4) technical assistance to State and local educational agencies; and (5) an initiative in international statistics.

1. Statistics on Key Educational Issues:

   A. The Changing Nature of Postsecondary Education

   -- work on the second and third follow-ups of the high school class of 1972 in the Longitudinal Survey of Educational Effects, supplemented by the development of a study of a new class, including information on a sample of high school dropouts

   -- a design study of the 17-25 year old population on participation in Federal student aid programs

   -- a data base for professional manpower projects and higher education facility and staff planning

-- studies on career education, including first-time sample survey of the staff and students in postsecondary career schools, including proprietary and correspondence schools.

B. Participation in Federal Programs of Assistance to State and Local Education Agencies

-- a statistical survey of local education programs, with special attention to disadvantaged, handicapped, bilingual, and migrant students in these programs

-- a pretest of a statistical survey of high school students which compares the characteristics of participants in Federal programs with those of nonparticipants

-- a full scale survey of elementary school participation in Federally-aided programs.

C. Equitable Financing of Elementary and Secondary Education Relative to the Needs of Target Populations

-- Congressionally-mandated national survey of children and adults with limited English speaking capability to develop estimates of the need for bilingual education

-- Tabulations of Census data by school district revised to reflect changes in school boundaries from 1970 to 1974-75.

D. Non-traditional Education

-- surveys of adult education in public schools, higher education and correspondence schools

-- exploration of needs for special education at the pre-school level being met by Federal, State, and local programs.

E. Teacher Supply and Demand

-- the number and characteristics of enrollees in teacher training programs by fields

-- the reserve supply of teachers

-- the salaries, assignment, training, and turnover of teachers in such fields as bilingual education, remedial reading instruction, vocational education, and special education

-- and the characteristics of doctoral candidates in education.

2. Improved Data Dissemination:

Current modes of dissemination of education statistics will be improved and new approaches adopted to make information more immediately available for use by policy makers at all levels. Major planned activities include the inauguration of a limited program of fast response surveys to provide data on newly emerging issues for Federal policy makers, the preparation of a user's guide to NCES statistics, increased use of advance reports and computer tapes as early products of surveys, the release of partially edited survey data to users, and the delivery of the first full-year Statistical Report on the Condition of American Education to Congress. In support of the Congressionally-mandated Consortium concept, the incorporation of 50-100 computer tape files from Federal agencies into EDSTAT online access system and tape library will permit quick analyses cutting across files.

3. Analysis in Support of Policy Makers:

In fiscal year 1976, these studies will concentrate on the following key educational issues:

-- unit costs for undergraduate instruction by field of study

-- output indicators in postsecondary education

-- special purpose analyses of data from the Longitudinal Study of Educational Effects

-- special analyses on children targeted by Federal education programs

-- characteristics of children of low achievement on the Anchor Test of Reading

-- a cost of education index for elementary and secondary education reflecting geographic and special education differentials

-- fiscal expenditure patterns of local education agencies in terms of pupil characteristics and needs, competing local expenditure, revenue sources and impact on taxpayers

-- the status of educational personnel to serve exceptional children and adults in the United States.

4. Technical Assistance to State and Local Education Agencies:

The Handbooks program of NCES provides common standards of educational statistics to be used by State and local educational agencies in record-keeping and reporting. Comparability of recorded and reported data is critically important to measuring the effectiveness of educational programs. In fiscal year 1976, efforts will be directed to develop manuals in the areas of Community Information in Education, Terminology in Adult/Continuing Education and Property Accounting. In order to increase the usefulness of these manuals, work will be performed on a Dictionary-Glossary of all terms in the Handbook series, on implementation guides for the use of Handbooks, and on field services including training workshops in installing education records and reports systems. Standards will be developed on confidentiality of personal data as mandated in P.L. 93-380, the Education Amendments of 1974.

5. International Education:

Strategies employed in fiscal year 1976 to meet this objective include the hiring of appropriate staff, the development of a plan of studies, and the establishment of a task force within the Education Division to help develop and review the plans and to share information on activities underway in related organizations.

The first study will compare national training systems for educational personnel, focusing on supply and demand problems for teachers at the primary and secondary levels in Great Britain, Germany, Sweden and the United States. The study is designed to yield information leading to the identification and analysis of alternative courses of action to improve the capacity of the American educational system to respond to the changing demand for educational personnel.

Accomplishments for Fiscal Year 1974/1975

The Surveys and Special Studies program continued to produce current data and projections for more than 50 key educational time series, summarized in the annual "Digest" and "Projections." These data were used by NCES in preparing estimates used in the allocations of Federal funds, in producing the Congressionally-mandated report on "The Condition and Progress of American Education," in producing 46 publications in fiscal year 1974 and an estimated 55 in fiscal year

1975, in making available 20 new computer tapes in fiscal year 1974 and an estimated 30 in 1975, in answering 10,000 requests for data in fiscal year 1974 and 11,000 in 1975, in filling 400 orders for computer tapes in fiscal year 1974 and an estimated 500 in 1975, and in placing 20 files on the EDSTAT timesharing remote access system in fiscal year 1974 and 50 in 1975. Initiated several newly mandated one-time studies and surveys.

B. Common Core of Data

		1975 Base	1976 Estimate	Increase or Decrease
(a)	New awards.......................	$400,000	$1,665,000	$+1,265,000
	Number.........................	2	3	
(b)	Non-competing continuing awards.	---	---	---
(c)	Competing continuing awards.....	75,000	---	-75,000
	Number.........................	1	0	
	Total........................	475,000	1,665,000	+1,190,000

Program Purpose

The Common Core of Data Program (CCD) is designed to replace the current uneven and largely inadequate provision for educational statistics with an integrated and interlocking system to meet Federal, State, local and institutional needs for planning and management. The program has been developed to overcome the shortcomings of earlier national level educational data collection and information services; specifically, CCD will fill the current gaps in educational data, provide information on a more timely basis, and increase the usefulness of data to meet the needs of educational policy makers.

Plans for Fiscal Year 1976

In fiscal year 1976, an additional $1,190,000 over fiscal year 1975 is being requested to support activities under the first phase of the Common Core of Data program which will result in the delivery of near-term products responsive to statistical data needs at the Federal level, and will simultaneously provide building blocks for the long-term program. In fiscal year 1976, the major components are the Federal Core of Data for Elementary/Secondary Education and the Federal Core of Data for Postsecondary Education.

Federal Core of Data for Elementary/Secondary Education: Using instruments developed in fiscal year 1975, the Center will conduct the first national field test of the Federal Core for Elementary/Secondary Education, obtaining comprehensive statistics for use by all components of the Education Division. Technical assistance will also be provided to State and local educational agencies by such activities as: coordinating data collection efforts through State Data Managers and conferences; conducting training workshops; and producing implementation guides for installing educational record and reporting systems.

Federal Core of Data for Postsecondary Education: Significant projects in this program include a study to design the Federal core of data for the postsecondary sector and to define the component elements.

In addition, in fiscal year 1976, NCES will undertake specific assistance projects at the local and State level such as: provision of consultative services by NCES staff, conduct of workshops and training programs, development of guides for State and local implementation of data standards, and contracting with State and local agencies for the accomplishment of specific systems improvement objectives.

Accomplishments for Fiscal Years 1974/1975

Standard definitions and criteria for cost-assignment in statistical reporting for postsecondary education were developed cooperatively with States and educational institutions and a program of technical assistance was begun. An analysis of issues in postsecondary education identified the data required to address these issues. The feasibility of collecting data proposed for the elementary/secondary core was examined, and a plan was developed to provide technical assistance and incentives to CCD program participants.

C. National Assessment of Educational Progress

		1975 Base	1976 Estimate	Increase or Decrease
(a)	New awards.......................	$4,500,000	$6,000,000	$+1,500,000
	Number........................	1	1	
(b)	Non-competing continuing awards.	---	---	---
(c)	Competing continuing awards.....	---	---	---
	Total.........................	4,500,000	6,000,000	+1,500,000

Program Purpose

The National Assessment of Educational Progress (NAEP) monitors the achievement of young Americans and reports changes in achievement over regular intervals. The data highlight categories of students whose performance in a given subject field meets or falls short of national educational expectation, and reveals strengths or weakness within each subject field to assist curriculum policy.

The Education Division contracts with the Education Commission of the States for the collection, analysis and reporting of achievement of a representative national sample of four age groups: 9-year olds, 13-year olds, 17-year olds, and young adults (26-35). Results are summarized nationally for each age group by sex, race, major geographic region, size and type of community, and level of parental education.

Plans for Fiscal Year 1976

An additional $1,500,000 million is requested in fiscal year 1976 to continue the instrument development and data collection activities with particular emphasis placed on the utilization and application of the National Assessment model and data. Other activities include:

- second assessment of citizenship
- a first-time assessment of basic mathematical skills to provide an "Index of Basic Skills"
- an analysis of the changes in reading skills from 1971 to 1975, and an analysis on the adequacy of preparation of different groups of young persons
- publications of base line data on career and occupational development
- publication of comparative data on writing performance over a four year period
- interpretive studies for the utilization and application of National Assessment findings for curriculum changes and decision making.

Accomplishments for Fiscal Years 1974/1975

The schedule of data collection continued the basic plan of measuring achievement in academic areas and examined the feasibility of measuring achievement in the basic skills needed to function in our society. Assessments included career and occupational education in fiscal year 1974, and art, basic mathematics, and second cycle reading in 1975. The assimilation and organization of data was performed for mathematics, career and occupational development, second cycle science, and second cycle writing. Results were published for the first assessment of mathematics, the second assessment of science, a mini-assessment of reading, and the second assessment of writing mechanics ability. Computer tapes of the first National Assessment of reading and literature were released to the educational community. To enhance the applicability and usefulness of results, special analysis of data related to policy questions raised by the Office of the Assistant Secretary for Education was continued, the effects of measurement errors on the data was studied, and technical assistance was provided for the thirty four States and two large school districts who are planning and conducting their own assessments.

Program Direction and Support Services

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits........	241	$4,802,100	241	$4,985,100	282	$5,816,000	+41	$ +830,900
Other expenses....	---	1,609,900	---	1,609,900	---	2,853,000	---	+1,243,100
Total........	241	6,412,000	241	6,595,000	241	8,669,000	+41	+2,074,000

NARRATIVE

This activity will provide for 282 positions in fiscal year 1976--an increase of 41 over fiscal year 1975-- and related administrative expenses for the three components of the Office of the Assistant Secretary for Education: the Immediate Office of the Assistant Secretary for Education, the Fund for the Improvement of Postsecondary Education and the National Center for Education Statistics.

A. Immediate Office of the Assistant Secretary for Education

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits........	52	$1,005,000	52	$1,046,000	52	$1,174,000	-0-	$+128,000
Other expenses....	---	1,272,000	---	1,272,000	---	1,334,000	---	+62,000
Total........	52	2,277,000	52	2,318,000	52	2,508,000	-0-	+190,000

The Education Amendments of 1972 created an Education Division composed of the Office of Education and the National Institute of Education, and headed by the Assistant Secretary for Education. This Office has responsibility for the direction and supervision of the Education Division and for coordination of education activities wherever they are performed in the Department.

In order to carry out these activities, the Immediate Office of the Assistant Secretary for Education has a staff of 52. This includes two offices which are integral to the formulation and coordination of policy within the Education Division and to the general public.

The Office of Policy Development coordinates development of general policies in the Education Division including formulation of program and legislative initiatives and recommendation of program and policy issues for analysis and study. The staff also administers the Education Policy Research Centers addressed below.

The other half of the effort is the Office of Policy Communication which represents the Assistant Secretary and interprets Federal education policies to the education community and the general public. The staff is also responsible for assuring that public views are reflected in the policy making process of the division.

	1975 Positions	1976 Positions
Immediate Office of the Assistant Secretary..........	16	16
Office of Administration..............................	9	9
Deputy Assistant Secretary for Policy Development....	14	14
Deputy Assistant Secretary for Policy Communication..	13	13
Total..	52	52

Staffing

As part of the Manpower Management Program in the Office of the Assistant Secretary for Education, a work measurement study was begun during the second quarter of fiscal year 1975 in the staff offices of the Assistant Secretary and the Fund for the Improvement of Postsecondary Education. The study consists of the collection of work sample information (i.e., daily logs) from each staff member on randomly selected days. A total of 50 daily logs will be obtained from each person by the conclusion of fiscal year 1975. As of December 31, 1974, 43 staff members had been included in the study and approximately 425 daily logs had been obtained. Preliminary profiles relating man-hours to activities in each office are now being drawn from the data.

Fiscal Year 1976 Request

No new positions for the immediate Office of the Assistant Secretary for Education are requested in fiscal year 1976.

Education Policy Research Centers

The fiscal year 1976 budget requests continued funding of the Policy Centers at $950,000 with a minimal increase of $12,000 to cover rising costs. In 1976 for the first time, proposals recommending education analysis issues will be submitted to the Assistant Secretary for Education. As a result of an evaluation of these proposals, it is possible that other entities may be funded to explore these issues.

In order to provide the Office of the Assistant Secretary with a resource for in-depth and sustained policy analysis, support of two education policy research centers was transferred to the Assistant Secretary from the Office of Education during the second half of fiscal year 1974.

Since the Assistant Secretary for Education has assumed responsibility for the centers, the range of areas for analysis has been more sharply defined and specific tasks with explicit deadlines have been assigned to each center. The center located at the Stanford Research Institute is responsible for analyses in the areas of education of the disadvantaged and postsecondary education, while the center at Syracuse University is responsible for analyses in school finance and in seeking means to improve the relationship between schooling and the labor market.

The centers provide a link for HEW between in-depth policy analysis efforts and the in-house Policy Development staff in the Office of the Assistant Secretary for Education. The continuity provided by the centers offers an opportunity to utilize existing data and research and evaluation findings in the development of education policy.

B. Fund for the Improvement of Postsecondary Education

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits...........	18	$353,000	18	$368,000	18	$413,000	-0-	$+45,000
Other expenses.......	---	152,000	---	152,000	---	168,000	---	+16,000
Total...........	18	505,000	18	520,000	18	581,000	-0-	+61,000

The Fund, which was established by the Education Amendments of 1972, has responsibility for improving postsecondary educational opportunities by providing assistance to such educational institutions and agencies. The management functions performed by this office include: the review and selection of proposals for grant awards; the monitoring and provision of technical assistance to funded projects; the provision of information and other outreach services to the field of postsecondary education; and related duties required to administer this discretionary grant program, including liaison and operating costs of a fifteen member, Secretarially-appointed Board of Advisors.

Management Objective

As mentioned previously, a work measurement study is under way in the Fund as part of a Manpower Management Program within the Office of the Assistant Secretary for Education. The study, begun in the second quarter of fiscal year 1975, will continue through the end of the fiscal year, resulting in data profiles which relate man-hours to activities within the office.

Fiscal Year 1976 Request

In fiscal year 1975 with a program budget of $11,500,000, the Fund has 18 positions, including 12 professional and 6 clerical. Although the fiscal year 1976 budget requests an additional $6,000,000 for program funds, no new positions are being requested for the program.

C. National Center for Education Statistics

	1975 Estimate		1975 Revised		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits.......	171	$3,444,100	171	$3,571,100	212	$4,229,000	+41	$ +657,900
Other expenses...	---	185,900	---	185,900	---	1,351,000	---	+1,165,100
Total.......	171	3,630,000	171	3,757,000	212	5,580,000	+41	+1,823,000

The National Center for Education Statistics (NCES), transferred to the Assistant Secretary for Education in 1975 as authorized under the Education Amendments of 1974, collects and disseminates statistics and other data related to education in the United States and other nations.

Management Objectives

The management goals of the National Center for Education Statistics for fiscal year 1976 are: (1) to improve the timeliness, quality, and accessibility of data from high priority projects; and (2) to increase the policy orientation of all NCES activities.

Because of the trade-offs among timeliness, quality and accessibility, they cannot be treated separately. Specific objectives include:

- -- streamlining the National Center for Education Statistics computer tape release system, providing extracts of files, standardizing documentation and formats, and expanding the release of partially edited data long before publication date,
- -- expanding the terminal accessed educational data base (EDSTAT) which carries statistics over telephone lines into users' offices,
- -- developing such management procedures as renewable and system contracts, management by objective, new options for automatic data processing, redeployment of staff to highest priority projects, re-designing labor intensive projects, closer monitoring of projects,
- -- utilizing such output formats as data on microfiche, tabulations without narrative, management bulletins, more preliminary reports, and more mini-reports on special topics,
- -- studying the extent to which accuracy is dependent on stage of editing,
- -- linking data files in an integrated data base being designed with the guidance of a consortium of Federal users of educational statistics,
- -- implementing a training program for staff development,
- -- improving the procedures for notifying users about the availability of products and services,
- -- developing means for securing user feedback and for utilizing the results,
- -- establishing a fast response survey mechanism to obtain information needed by Congressional and HEW planners and policymakers within a one to two month time frame,
- -- utilizing the policy guidance of the Advisory Council on Education Statistics which was mandated by P.L. 93-380,
- -- increasing the coordination of planning programs for policy orientation with Congress, the Executive Branch, the Council of Chief State School Officers, the American Council on Education, etc., to help shape on-going and future statistical programs.

Manpower Requirements

For fiscal year 1976, 41 new positions and related administrative expenses are being requested to administer and provide technical leadership for the NCES programs identified in this Justification. The proposed distribution of positions for fiscal year 1976 is as follows:

	Positions FY 1975	Positions FY 1976	Increase or Decrease
Surveys and Special Studies..............	151	184	+33
Common Core of Data........................	8	11	+3
National Assessment of Educational Progress..............................	3	3	---
Program Direction........................	9	16	+5
Total..................................	1[illegible]1	212	+41

In order to address newly mandated requirements, 16 additional positions are requested to perform specialized analysis of the meaning and significance of education, to inaugurate an international statistics program, to increase technical assistance to the States, and to respond to P.L. 93-380's specific requirements for a Consortium of Federal Users of Educational Statistics, an annual report on the Condition of Education, an update of allocations of Title I of the Elementary and Secondary Education, and a bilingual survey. Demographers, economists, sociologists, and educational finance specialists will be among those hired to conduct analyses.

An estimated 6 postitions will be used to conduct new surveys in areas of great significance, and 11 will be used to shorten the production cycle for recurrent surveys and to provide early release of computer tapes and survey tabulations. Increase in staff to manage projects will not only shorten the time between data collection and dissemination, but also improve their quality and simplify their application. Additional editorial staff will expedite the publications process and will improve the readability of reports.

Three additional positions are requested to augment the Common Core of Data efforts, which will contribute to the Technical Assistance mandate and will increase the consistency of NCES statistics.

Five positions are necessary to provide increased planning, user liaison, contract and other administrative support.

Program Purpose and Accomplishments

Activity: Postsecondary Improvement (General Education Provisions Act, Section 404)

1975 Estimate		1975 Revised		1976		
					Budget Estimate	
Pos.	Amount	Pos.	Amount	Authorization	Pos.	Amount
—	$11,500,000	—	$11,500,000	1/	—	$17,500,000

Purpose: To increase the effectiveness of postsecondary education by supporting activities and projects throughout the field of postsecondary education which have the potential for achieving needed reforms and improvements.

Explanation: Funds are awarded, in the form of grants and contracts, to institutions and agencies of postsecondary education, within designated priority areas.

Accomplishments in 1974/1975: In fiscal year 1974, 102 new and 26 continuing awards were made within three program competitions--the Comprehensive program and two special focus programs. In fiscal year 1975, new and continuation grants will be awarded within the comprehensive program, one special focus program, and three national projects.

Objectives for 1976: The Fund will award approximately 85 continuations and 90 new grants for projects in four competitions.

1/ Authorization expires June 30, 1975; new authorizing legislation is proposed.

8[illegible]3

Activity: National Center for Education Statistics (General Education
Provisions Act, Section 406)

1975 Estimate		1975 Revised		1976		
					Budget Estimate	
Pos.	Amount	Pos.	Amount	Authorization	Pos.	Amount
—	$10,565,000	—	$10,565,000	$25,000,000	—	$16,665,000

Purpose: The National Center for Education Statistics, established in the Office of the Assistant Secretary for Education by the Education Amendments of 1974, is charged with the collection of statistics on the condition of education in the United States and abroad, performance of policy-relevant statistical analysis, and the provision of assistance to States and local education agencies in improving their statistical activities.

Explanation: Surveys and analyses are conducted in the area of elementary/secondary education, higher education, vocational and adult education, libraries and educational technology, and handbook standards. A Common Core of Data is developed for elementary/secondary and postsecondary education to provide technical assistance to States. The National Assessment of Educational Progress monitors the achievements of selected groups of young Americans and reports changes in achievement over regular intervals.

Accomplishments in 1975: In 1975, current data and projections were produced for more than 50 key educational time series, 55 publications were produced, 11,000 requests for data were answered and 500 orders for computer tapes were filled.

Objectives for 1976: Major management objectives for 1976 are to improve the timeliness, quality and accessibility of data from high projects and to increase the policy orientation of all the National Center for Education Statistics activities. Expected outputs include 70 publications, 12,000 requests for data answered and 600 orders filled for computer tapes.

Activity: Program Direction and Support Services (General Education Provisions
Act, Sections 402, 404 and 406)

1975 Estimate		1975 Revised		1976		
					Budget Estimate	
Pos.	Amount	Pos.	Amount	Authorization	Pos.	Amount
241	$6,412,000	241	$6,595,000	Indefinite 1/	282	$8,669,000

Purpose: Provides funds for administrative expenses for carrying out programs within the Office of the Assistant Secretary for Education and for the development and communication of education policy.

Explanation: The Education Amendments of 1972 established an Office of the Assistant Secretary for Education to provide direction and supervision for the Education Division. P.L. 92-318 also included the Fund for Improvement of Postsecondary Education as part of this Office. In 1974, P.L. 93-380 transferred the National Center for Education Statistics to the Office from the Office of Education.

Accomplishments in 1975: In fiscal year 1975, the Office of the Assistant Secretary for Education began a Manpower Management study in the immediate Office of the Assistant Secretary and in the Fund and has already drawn some preliminary profiles relating man-hours to activities in each office. The National Center for Education Statistics recently transferred to the Office is currently undergoing a reorganization along functional lines.

1/ The Salaries and Expenses portion of the National Center for Education Statistics is limited to $10,000,000 for fiscal year 1976.

Objectives for 1976: The Manpower Management study begun in fiscal year 1975 will be completed during fiscal year 1976, including a work measurement study of each functional unit of the National Center for Education Statistics under its new organization. Contractual analysis activities related to the policy development function of the Office will be continued under a competitive format focusing on such issues as postsecondary education, education of the disadvantaged and public school finance.

New Positions Requested

	1976		
	Grade	Number	Annual Salary
Surveys and Special Studies:			
Sociologist	GS-15	1	$ 29,818
Mathematical Statistician	GS-15	1	29,818
Psychometrician	GS-14	1	25,581
Operations Research Analyst	GS-14	1	25,581
Education Program Specialists	GS-14	2	51,162
Demographer	GS-13	1	21,816
Systems Analysts	GS-13	2	43,632
Sociologist	GS-13	1	21,816
Education Program Specialists	GS-13	2	43,632
Psychometrician	GS-12	1	18,463
Systems Analysts	GS-12	2	36,926
Computer Programmer	GS-12	1	18,463
Survey Statisticians	GS-12	2	36,926
Computer Programmer	GS-11	1	15,481
Demographer	GS-9	1	12,841
Econometrician	GS-9	1	12,841
Statistical Clerks	GS-9	2	25,682
Sociologist	GS-7	1	10,520
Research Assistants	GS-7	2	21,040
Secretary	GS-5	2	17,000
Clerk-Typists	GS-4	3	22,788
Clerk-Typists	GS-3	2	13,528
Subtotal		33	555,355
Common Core of Data:			
Survey Statistician	GS-15	1	29,818
Survey Statistician	GS-14	1	25,581
Statistician	GS-7	1	10,520
Subtotal		3	65,919
Center-wide Administration:			
Executive Officer	GS-15	1	29,818
Sociologist	GS-14	1	25,581
Assistant Planning Officer	GS-12	1	18,463
Clerk-Typists	GS-4	2	15,192
Subtotal		5	89,054
Total new positions, all activities		41	710,328

Amounts Available for Obligation

	1976	Interim
Appropriation......................................	$42,834,000	$5,599,000
Total, obligations..............................	42,834,000	5,599,000

Obligations by Activity

Page Ref.		1976 Estimate		Interim Estimate	
		Pos.	Amount	Pos.	Amount
	Fund for the Improvement of Post-secondary Education...............	---	$17,500,000	---	$ ---
	National Center for Education Statistics:				
	(a) Surveys and Special Studies.....................	---	9,000,000	---	1,209,000
	(b) Common Core of Data..........	---	1,665,000	---	539,000
	(c) National Assessment of Educational Progress......	---	6,000,000	---	1,500,000
	Program Direction and Support Services...........................	282	8,669,000	282	2,351,000
	Total obligations..........................	282	42,834,000	282	5,599,000

Obligations by Object

	1976 Estimate	Interim Estimate
Total number of permanent positions...............	282	282
Full-time equivalent of all other positions......................................	10	10
Average number of all employees....................	273	273
Personnel compensation:		
Permanent positions..................................	$ 4,929,000	$1,438,000
Positions other than permanent....................	315,000	80,000
Other personnel compensation.........................	49,000	11,500
Subtotal, personnel compensation.............	5,293,000	1,529,500
Personnel benefits..................................	523,000	127,000
Travel and transportation of persons..............	325,000	75,000
Transportation of things...........................	3,000	---
Rent, communications and utilities................	380,000	95,000
Printing and reproduction..........................	407,000	92,000
Other services......................................	633,500	155,000
Project contracts..................................	17,669,500	3,497,000
Supplies and materials.............................	40,000	11,000
Equipment...	60,000	17,500
Grants, subsidies and contributions..............	17,500,000	---
Total obligations by object....................	42,834,000	5,599,000

Justification

Salaries and Expenses

	1976		Interim	
	Pos.	Amount	Pos.	Amount
Personnel compensation and health benefits......	282	$ 5,816,000	282	$1,656,500
Other expenses..................................	—	37,018,000	—	3,942,500
Total..	282	42,834,000	282	5,599,000

General Statement

The Office of the Assistant Secretary for Education is responsible for direction and supervision of the Education Division, including policy coordination and management and administration of several programs. As part of the function of the Office, the Assistant Secretary for Education provides leadership for the education activities of the Department; serves as the key spokesmen and advocate for education in assuring that the Department provides professional and financial assistance to strengthen education in accordance with Federal laws and regulations; and serves as Chairman of the Federal Interagency Committee on Education, set up by Executive Order 11761 to coordinate educational programs and policies throughout the Federal level. In addition, the Assistant Secretary serves as the principal advisor to the Secretary of Health, Education, and Welfare on education affairs.

This appropriation provides for administrative expenses associated with the development and communication of education policy and for carrying out the two program areas located within the Office. These two areas are the Fund for the Improvement of Postsecondary Education and the National Center for Education Statistics which was transferred to the Office of the Assistant Secretary for Education in 1975 from the Office of Education as authorized by the Education Amendments of 1974. In addition, this account provides continued contractual support of policy analysis activities relevant to the Office's responsibility for policy development.

Fund for the Improvement of Postsecondary Education

	1976		Interim	
	Pos.	Amount	Pos.	Amount
(a) New awards..................	—	$ 9,000,000	—	-0-
(b) Non-competing continuing awards....................	—	8,500,000	—	-0-
(c) Competing continuing awards....................	—	-0-	—	-0-
Total......................	—	17,500,000	—	-0-

NARRATIVE

The Fund, which was established by the Education Amendments of 1972, was created to improve the effectiveness of postsecondary education by encouraging the reform and improvement of existing policies and practices in the field.

Interim Request

No program money is being requested during the Interim period for the Fund as the grants and contracts with the postsecondary institutions are made in the spring of each year. Administrative funds for the Fund are being requested, however, under Program Direction and Support Services in order to continue the work necessary during these three months in preparation for making these awards.

National Center for Education Statistics

	1976		Interim	
	Pos.	Amount	Pos.	Amount
(a) Surveys and Special Studies....................	---	$ 9,000,000	---	$ 1,209,000
(b) Common Core of Data.........	---	1,665,000	---	539,000
(c) National Assessment of Educational Progress......	---	6,000,000	---	1,500,000
Total.....................	---	16,665,000	---	3,248,000

NARRATIVE

The National Center for Education Statistics, established in the Office of the Assistant Secretary for Education by the Education Amendments of 1974, is charged with the collection of statistics on the condition of education in the United States and abroad, performance of policy-relevant statistical analysis, and the provision of assistance to States and local education agencies in improving their statistical activities.

Interim Request

During the Interim period, funding is requested to support the following programs:

Surveys and Special Studies. Surveys and analyses will be conducted in the area of elementary and secondary education, higher education, vocational and adult education, libraries and educational technology, and handbooks standards. Particular attention will be paid to participation in Federal programs, bilingual education, teacher supply and demand, and the careers of recent high school graduates. Timeliness and accessibility of data will be stressed, as well as the provision of such services as the development of an integrated data base of educational statistics from all Federal agencies.

Common Core of Data. The Center will continue its efforts toward assisting States in improving and automating their statistical and data collection activities. The Center will also provide support to States for development of information systems capable of meeting the reporting requirements of Section 512 of the General Education Provisions Act as amended by the Education Amendments of 1974. At the elementary and secondary levels, technical assistance activities will include development of data standards implementation guides; documentation, testing and dissemination of automated data transfer networks; training workshops and individual consultations; and installation of an initial set of State data managers. At the post-secondary level, a feasibility study will test technical assistance tools for record-keeping and reporting procedures developed during fiscal year 1976.

National Assessment for Educational Progress. The Center will conduct a third assessment of science, a full-scale feasibility study for the Index of Basic Skills, report on a comparison of reading performance between 1971 and 1975; and analyze data collected in fiscal year 1976 on citizenship, social studies, and basic mathematics skills assessments.

The Interim request is designed to maintain the on-going programs at the fiscal 1976 level. The National Assessment of Educational Progress request represents one-quarter of the previous year's level. The other two programs' requests are based on previous experience and scheduling activities within the Center.

Program Direction and Support Services

	1976		Interim	
	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits	282	$5,816,000	282	$1,656,500
Other expenses	---	2,853,000	---	694,500
Total	282	8,669,000	282	2,351,000

NARRATIVE

During the Interim Budget period, the Office of the Assistant Secretary for Education will continue to function at the previous fiscal year's administrative level, supporting a total of 282 positions: 52 for the immediate Office of the Assistant Secretary for Education; 18 for the Fund for the Improvement of Postsecondary Education; and 241 positions for the National Center for Education Statistics. No new positions are requested for this period.

Interim Request

Personnel compensation and other administrative expenses were calculated on a basis of one-quarter the previous year's amount. Any deviations from this represents consideration of scheduling which might affect the one-fourth rate.

In addition to personnel costs, on-going contractual activities related to the function of the Assistant Secretary for Education's office, such as the Educational Policy Research Centers, will be supported at the one-quarter rate.

Management objectives set forth in the fiscal year 1976 justification will continue to be expanded upon during the three months.

SUBCOMMITTEE RECESS

Senator FONG. The subcommittee will now proceed to other business.

[Whereupon, at 3 p.m., Thursday, March 20, the subcommittee proceeded to the consideration of other business.]

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

FRIDAY, MARCH 21, 1975

U.S. SENATE,
SUBCOMMITTEE ON DEPARTMENTS OF LABOR AND HEALTH,
EDUCATION, AND WELFARE AND RELATED AGENCIES,
Washington, D.C.

The subcommittee met at 10:10 a.m., in room S–128, the Capitol, Hon. Birch Bayh, presiding.

Present: Senators Bayh and Brooke.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SPECIAL INSTITUTIONS

AMERICAN PRINTING HOUSE FOR THE BLIND

STATEMENT OF FINIS E. DAVIS, VICE PRESIDENT AND GENERAL MANAGER

ACCOMPANIED BY:

- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER**
- **ANNIE BROWN, BUDGET ANALYST, OFFICE OF THE COMPTROLLER**

PREPARED STATEMENT OF FINIS E. DAVIS

Senator BAYH. We will convene our hearing. The first item is the American Printing House for the Blind. Mr. Miller, you are major domo here this morning. Fire away.

Mr. MILLER. Thank you. I am standing in for Mr. Davis, who is vice president and general manager of the Printing House.

He has submitted an opening statement which I would like to insert in the record, if I may.

Senator BAYH. Fine.

[The statement follows:]

Mr. Chairman and members of the committee: The American Printing House for the Blind was chartered by the Commonwealth of Kentucky in 1858 for the nonprofit manufacture of books and educational aids for use in the education of blind children in special schools for the blind. In 1879 the Congress passed an act, "To promote the education of the blind" and, as amended, now provides educational materials for all blind children throughout the United States, its territories and possessions, through the secondary school level.

EDUCATIONAL MATERIALS

The request of $2,328,000 is an increase of $441,000 over 1975 and when taken together with the $10,000 permanent appropriation will supply an estimated additional 1,500 blind students and all 1975 base pupils (25,809) with educational materials. The estimated 1976 per capita rate of $85.61 (16.5 percent increase) will serve 27,309 eligible blind children at about the same level of services provided during the past few years.

ADVISORY COMMITTEES

The request of $80,000 for expenses to advisory committees and field representatives is the same amount requested for 1975 and will make it possible for these committees to continue to evaluate and recommend to the board of trustees, for approval on an annual basis, the necessary educational materials and aids to be produced.

Responsibilities of the Printing House become more complex every year. We are serving a far more complex group of children in a more complex society than ever before. Approximately 66 percent of the blind children being educated in elementary and secondary schools are now attending regular public school classes with their sighted peers, which means the variety of school texts needed for the individual pupil can no longer be served by a basic core of textbooks, but, rather requires the reproduction in braille, large type or recorded from a much greater variety of textbooks published in inkprint for use in regular public schools for the seeing.

Perhaps it would be interesting to note the trends in registration of blind children under the act, "To promote the education of the blind" during the past 5 years:

	Total registered	Schools (percent)	Training centers (percent)	State departments (percent)
1970	21,223	38	2	60
1971	21,846	36	3	61
1972	22,702	34	3	63
1973	24,195	32	3	65
1974	25,809	29	5	66

This indicates during the past 5 years we have experienced an increase in total registration of 4,586, showing a decrease in schools for the blind of 483, an increase of 772 in adult training centers and an increase of 3,529 through State departments.

Our work in technical and educational research and development has continued to progress and additional steps are being taken in the automation of braille production. In reviewing our production schedules it appears we are pretty well on schedule in meeting our commitments to the schools for the beginning of the new school year in September 1975. I am leaving with the committee copies of the American Printing House for the Blind Annual Report for the fiscal year ending June 30, 1974, which gives a complete report of Printing House activities as well as the work of the advisory committees.

In closing, may I extend sincere thanks to the Appropriations Committee and the Congress for their continued interest in the education of the blind.

INTRODUCTION OF ASSOCIATE

Mr. **Miller**. We will be glad to respond to questions. One more thing, Mr. Chairman. With me is Miss Annie Brown from our budget staff in the Office of the Secretary.

INVENTORY

Senator **Bayh**. We are glad to have Miss Brown here. I note that the budget states that you have a million and a half inventory figure. Is that the annual turnover figure?

Mr. **Miller**. No. I don't believe they use up the inventory annually. In fact, the availability of that inventory was what made us able to cope with an underestimate in cost in fiscal 1975.

BLIND STUDENTS NOT SERVED

Senator **Bayh**. In looking at the blind student problem, the law requires that all blind students be served. Do you have any idea how many blind students are not in school?

Mr. **Miller**. Are not in school?

Senator **Bayh**. Yes.

Mr. **Miller**. No, I don't, Mr. Chairman. We can submit that for the record.

[The information follows:]

Estimated number of visually handicapped children unserved in 1974-75, 27,000. Data for the visually handicapped children unserved was based on estimates obtained from various sources, including National agencies and organizations, plus State and local directors of special education.

STATES' RESPONSIBILITY TO FIND STUDENTS

Senator **Bayh**. Is there any effort being made now to find the students who might not know the service is available?

Mr. **Miller**. I don't think that is the responsibility of the Printing House to find students. They are simply a facility for printing materials, and the requests come to them through the States. I think the responsibility for seeing that all blind students in school have sufficient materials is a matter more for the State departments of education. The Printing House is simply a facility to try to keep up to date in developing new materials for blind students and providing a sufficient number of such materials.

Senator **Bayh**. The Printing House provides services to the State, and you suggest that is where the responsibility ought to be?

Mr. **Miller**. I believe that is so.

Senator **Bayh**. Do you feel we have an oversight responsibility to see that the States are searching for these blind students? Are we fulfilling that obligation?

Mr. **Miller**. I would say possibly we do, Mr. Chairman, but if the Federal Government has it, it would be through the Bureau of the Education of the Handicapped in the Office of Education, and not the Printing House.

TEXTBOOKS

Senator **Bayh**. Is the Printing House solely involved in printing textbooks?

Mr. **Miller**. No. They print a whole variety of material, Mr. Chairman, other than textbooks, including records and anything that can communicate with blind students and provide education to them.

Senator **Bayh**. Are they involved in anyway in this "Talking Books for the Blind" program through the public libraries?

Miss **Brown**. Yes, they are, but indirectly. In other words, the *Printing House produces educational aids for the schools, and they* may provide these talking books to public libraries.

Senator **Bayh**. We had a problem a couple or 3 years ago where President Nixon impounded all those funds, or refused to budget any fund for "Talking Books." There was a great hue and cry, and the libraries were concerned that their services were going to be cut off.

Have they recouped from that now?

Mr. **Miller**. I believe so. Again that did not have to do with the Printing House. It had to do with the Office of Education, and the Library of Congress, which had the responsibility for producing the materials. The Office of Education had the responsibility for dissemination. I don't have the details, but I think there were funds ultimately appropriated and spent for it.

Senator **Bayh**. All right. The next item is a request for the National Technical Institute for the Deaf. Good morning.

NATIONAL TECHNICAL INSTITUTION FOR THE DEAF

STATEMENT OF DR. ROBERT FRISINA, DIRECTOR OF THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF, ROCHESTER INSTITUTE OF TECHNOLOGY

ACCOMPANIED BY:

WILLIAM H. WILLIAMS, ASSISTANT TO THE DIRECTOR

CHARLES MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER

BUDGET REQUEST

Senator BAYH. Dr. Frisina, the Director, is here, and he can give us a rundown of something like $9 million. Would you introduce your associates?

Dr. FRISINA. Mr. Williams and Mr. Miller.

Senator BAYH. Mr. Miller is also ever-present.

Mr. MILLER. I am playing my proper role.

Dr. FRISINA. If you like, I can submit my statement for the record.

PREPARED STATEMENT

Senator BAYH. Your statement will be included in the record.

[The statement follows:]

(911)

Mr. Chairman, on behalf of the Department, I am pleased to present this request for the National Technical Institute for the Deaf (NTID) for $9,836,000 for the 1976 fiscal year.

The fiscal year 1976 appropriation request of $9,836,000 is a net increase of $17,000 over fiscal year 1975. This represents an increase of $1,998,000 in operations and a decrease of $1,981,000 in construction. Of the $1,998,000, amounts of $1,023,000, $274,000 and $212,000 will be used respectively for the technical education, personal and social development, and communication skills development of the 260 additional students to be served in fiscal year 1976; $418,000 will be used for increased efforts in applied research; and $71,000 will be used for administration and increased utilities and physical plant maintenance costs. The decrease in construction is associated with the termination of construction for NTID.

In fiscal year 1976, NTID plans two significant advances: (1) a 37-percent increase in total students served (from 700 in fiscal year 1975 to 960 in fiscal year 1976) while increasing faculty and staff 12 percent; and (2) a continuation and further implementation of NTID's technical education programs and correlated applied research.

As part of NTID's continuing development of educational programs, fund accounting, accounting for nonaccounting majors, and a learning center for word processing will be introduced in the business technologies area. In engineering technologies, a program critically needed on a national scale, toolmaking, will be introduced, as well as a course in surveying and a new diploma program in electronics. In technical science, courses in computer applications for medical records science will be introduced and the NTID Physics Learning Center will be installed cooperatively in selected schools for the deaf across the Nation. In visual communications technologies, film loops for use in applied photography will be developed, and a program in media technology will be studied. In the area of mathematics, technical mathematics minilectures will be incorporated into the program and the Mathematics Learning Center will be shared with other schools. In developmental education, the residential facilities planned by NTID will continue to be exploited as a living/learning environment. In the communications area, courses in remedial and technical English, aural rehabilitation (speechreading, auditory training, orientation to hearing aids), oral skill development (speech production, public speaking), and manual communication will be provided.

Approximately 200 students will graduate from NTID in fiscal year 1976; 84 percent of those students will enter the job market immediately, and the remaining 16 percent will pursue further education before being placed or will be married. Of those who enter the job market, 85 percent will enter business and industry, 10 percent government, and 5 percent education. This is a significant improvement in the employment circumstances of deaf persons in our Nation.

In applied research for 1976, NTID will investigate several areas of importance to NTID's productivity: (1) ways of enhancing vertical and horizontal job mobility with subsequent curriculum modification based upon such research; (2) computer uses in instruction and learning centers to increase rates of learning and levels of skill attainment in deaf students; (3) application of NTID's curriculum process model to the teaching of deaf students; (4) ways to raise levels of personal and social competence and to decrease the lag in general knowledge of deaf students; (5) the contribution of living arrangements to personal/social development of deaf students; (6) the efficacy of electronic devices designed to provide visual feedback to deaf students learning to improve speech production; (7) the usefulness of NTID's communication profile with deaf children taught elsewhere; (8) the use of residual hearing through NTID's speech perception and speech analysis laboratories; (9) new techniques in English instruction; (10) high imagery sign language for the learning and retention of technical vocabulary; (11) the modification of text material to increase retention of information in deaf learners; and (12) job achievement of NTID graduates as compared with the general population of deaf persons in the Nation.

Thank you, Mr. Chairman, and the Appropriations Committee for your assistance and support for NTID.

POSTSECONDARY-AGE DEAF STUDENTS

Dr. **Frisina**. Basically, we are asking for $9,836,000 for the basic support for the Technical Institute of the Deaf which is located in Rochester, N.Y. This institution is for postsecondary-age deaf students primarily in the technology and applied arts.

Senator **Bayh**. Postsecondary?

Dr. **Frisina**. Yes. We have youngsters from all over the country.

Senator **Bayh**. How many youngsters?

Dr. **Frisina**. For fiscal year 1976, a total enrollment of 960. We just completed a construction program for this institution. We first began accepting students in the fall of 1968, so we are a relatively new institution and the construction was completed last year. The present full-time enrollment this year is 700, and we will be moving to a full-time equivalent of 960 next year.

CRITERIA FOR ADMISSION

Senator **Bayh**. How does a student qualify?

Dr. **Frisina**. Basically, it is for deaf youngsters, and he must have a history of deafness. He must be deaf. He must have needed some special help on the basis of that deafness in prior schooling.

He needs to have an educational level of approximately eighth grade after completion of the secondary school experience. He must be a citizen, or on a permanent visa, but the major handicap is deafness. These are the fundamental criteria for admission.

Senator **Bayh**. With more than 900 students in the Institute, there must be many more out in the country who can use those services. I wondered how you determined who was accepted?

Dr. **Frisina**. These are the specific criteria, and we do what amounts to a clinical evaluation on each applicant to determine whether or not he is ready for the programs there.

Senator **Bayh**. Do you have a backlog of applications?

Dr. **Frisina**. Minimal, with the new construction. During the years of construction, we do have a minimal list.

Senator **Bayh**. How long is it?

Dr. **Frisina**. This will be the really first big year, and our projections are that by the second quarter we will be able to admit those on the waiting list. Virtually all of our students begin in the summertime.

CURRICULUM

Senator **Bayh**. Do you have a set curriculum?

Dr **Frisina**. Yes. We have actually 72 different career choices for students, and it ranges from engineering to business, to the medical sciences, to art, the fine arts, et cetera.

Senator **Bayh**. Let us put that list in the record.

Dr. **Frisina**. I would like to submit this for the record.

[The information follows:]

NTID's 1975 CURRICULA

1. Accounting
2. Business Administration
3. Photographic Marketing Management
4. Hospital Dietetics
5. Food Management
6. Electrical Engineering
7. Electrical Engineering
8. Industrial Engineering
9. Mechanical Engineering
10. Art & Design—Art
11. Art & Design—Design
12. Art & Design—Education (MFA)
13. Art & Design—Graphic Design
14. Painting
15. Print Making
16. Teaching Studio Art (MFA)
17. Ceramics
18. Glass
19. Metals
20. Textiles
21. Wood
22. Criminal Justice
23. Social Work
24. Community College/Junior College Relations—Business Technologies
25. Community College/Junior College Relations—Engineering Technologies
26. Applied Software Science
27. Systems Software Science
28. Computer Systems
29. Instructional Technologies
30. Packaging Science—Design
31. Packaging Science—Management
32. Packaging Science—Technology
33. Civil Technology
34. Electrical Technology
35. Mechanical Technology
36. Accounting
37. Data Processing
38. Office Practice
39. Architectural Technology
40. Architectural Drafting
41. Electronics
42. Industrial Drawing
43. Electro-Mechanical Technology
44. Numerical Control
45. Machine Tool Operations
46. Clinical Chemistry Technician
47. Hematology Technician
48. Medical Laboratory Technician
49. Microbiology Technician
50. Physician's Office Technician
51. Medical Records Technician
52. Histologic Technician
53. Applied Art
54. Applied Photography
55. Printing Technology
56. Biomedical Photography
57. Biomedical Communications
58. Photo Illustration
59. Photo Management
60. Professional Photography
61. Photo Science
62. Printing—Education
63. Printing
64. Printing—Technology
65. Biology
66. Medical Technology
67. Chemistry
68. Chemical Technology
69. Math
70. Nuclear Medicine Technology
71. Physics

Senator **BAYH**. What are the minimum lengths of the various curricula?

Dr. **FRISINA**. They vary from 1 year to 4 years. We have different sorts of certification upon completion of courses. This was supposed to provide a flexible set of curricula that did not necessarily confine itself to the routine, and so as a result of that, what we have fashioned is a set of programs that enables students after about a year or a year and a half, to earn a certificate.

If the student is interested and able, and by performance suggests he would like to go on, he might continue for a further period of 6 to 12 months and earn a diploma.

If he still chooses to continue, to get an associate degree, he can get a baccalaureate or a master's degree. So it is a circumstance where the ability and interest of the student suggests he continue. It is built in such a way that he does not lose any college.

WORK STUDY

Senator **BAYH**. Do you have work-study programs involved?

Dr. **FRISINA**. Yes. They study and then they go back on the job, full time for a quarter.

Senator BAYH. Do you have anything that permits them to work further than high school?

Dr. FRISINA. The way we have the school organized, we find that to get in the businesses that are highly technical, rather than part-time employment and part-time study, we have it set where they go out for a 10-week period, and this is full-time employment.

Generally, what happens is the youngster is offered a job in that particular industry or business upon the completion of the program.

Senator BAYH. They are paid for that employment?

Dr. FRISINA. They are paid out there. At the outset, Mr. Chairman, we did not—the students did not receive payment, because we tried to introduce the concept of deafness to industry to show that these youngsters can, in fact, become constructive and useful people in these industries.

There were some mythologies about inabilities and the like, so our first task was to interest people and let them take a chance on these youngsters. Soon after they get there, they say "My goodness, they can do whatever other people can do," and therefore they don't differentiate.

Senator BAYH. Therefore, your students would be for all intents and purposes total impairment, not partial impairment?

Dr. FRISINA. Profound deafness. For instance, in the State of Indiana, you have a State school for deafness, and those persons from there would be qualified for entrance here.

There would be youngsters in the day school programs across the State, public programs, who would have an interest in this program, also. We are imbedded in the Rochester Institute of Technology, so we take advantage of the programs of the hearing students. Therefore, we can, in a sense, piggyback on a wide variety of opportunities.

PLACEMENT OF GRADUATES

Senator BAYH. Has the unemployment situation affected your enrollment?

Dr. FRISINA. Not significantly at this particular point in time. We have placement programs, a nationwide placement program, and at this particular time, our placement rating is 96 percent, and the other 4 percent are in process. But we have virtually a 100-percent placement record.

It is a little bit of hard work at this time, but nevertheless, our actual figure at the moment is 96 percent.

Senator BAYH. Ninety-six percent?

Dr. FRISINA. Yes. That does not happen by chance. It is designed, and we have to sell pretty hard. Then when the youngsters are in, they sell themselves, actually.

PROGRAM SHARING

Senator BAYH. That is probably as important to your role as the training. Are there other institutions such as yours, sir?

Dr. FRISINA. This is the only national institute. Certain kinds of of things that we do are now being implemented in some community colleges across the country, but this is national.

The average number in the community college might be 20 or 30 students, and there are a couple of others that might have a hundred students. But this is the major effort in this regard.

Senator BAYH. Do you have at your fingertips, or can you give us for the record, a national figure of how many deaf students are able to get this kind of extra postsecondary educational experience?

Dr. FRISINA. You take the pool of students at the elementary and secondary levels, and this numbers somewhere between 52,000 and 60,000 students, and the number graduating in any given year is probably somewhere on the order of 4,000. The number of students in postsecondary schools that are identified as somewhat special in the sense of giving special help to youngsters, would number in the area of about 3,000.

Senator BAYH. Are we giving them that much extra help?

Dr. FRISINA. Roughly 3,000 or so, and the major group, approximately 60 percent, would either be at the National Technical Institute in Rochester, or at Gallaudet College in Washington here.

So things are picking up. The picture for opportunity for students is broader in 1975, as contrasted with 5 years ago. Virtually 100 percent of the students were in NTID and Gallaudet, say, 5 years ago.

This is good, and both institutions are helping these other programs to try to do the best job they can for these young people.

Senator BAYH. Thank you, sir.

Do you have any questions?

Senator BROOKE. No questions, Mr. Chairman.

Senator BAYH. Thank you very much, gentlemen. We appreciate the job you are doing.

Dr. FRISINA. Thank you.

Senator BAYH. Next the subcommittee will hear testimony on the request for $22 million for Gallaudet College. Mr. Merrill is here.

GALLAUDET COLLEGE

STATEMENT OF EDWARD C. MERRILL, JR., PRESIDENT

ACCOMPANIED BY:

- JOHN S. SCHUCHMAN, DEAN OF THE COLLEGE
- DOIN E. HICKS, DIRECTOR, MODEL SECONDARY SCHOOL FOR THE DEAF; DEAN, PRECOLLEGE PROGRAMS
- PAUL K. NANCE, BUSINESS MANAGER
- ROBERT R. DAVILA, DIRECTOR, KENDALL DEMONSTRATION ELEMENTARY SCHOOL
- CHARLES M. MILLER, DEPUTY ASSISTANT SECRETARY, COMPTROLLER
- ANNIE BROWN, BUDGET ANALYST, OFFICE OF THE COMPTROLLER

PREPARED STATEMENT

Mr. **MERRILL**. I have with me Dean Schuchman and Mr. Nance, business manager, and Mr. Miller accompanying us. I have an opening statement here that I can submit for the record.

Senator **BAYH**. All right. That will be made a part of the record.

[The statement follows:]

MR. CHAIRMAN: I am pleased to present to this Committee the FY 1976 budget request for Gallaudet College in the amount of $22,435,000. This request represents a decrease over FY 1975 of $15,976,000 for construction and an increase over FY 1975 of $2,816,000 for operations including $1,648,000 for the Liberal Arts College, $889,000 for MSSD and $279,000 for KDES.

One of the major thrusts in the budget for the Liberal Arts College is to prepare for the opening of the new food service, health service, central receiving and utility buildings. The increases related to these new buildings include $90,000 for improved campus-wide health services to meet the special medical needs of deaf students, $118,000 for the operation and maintenance of the new facilities, and $16,000 for a dietician to manage the new food service.

In the undergraduate instructional program, the increases are focused on improving the library services to prepare for a reaccreditation review ($90,000) and expanded efforts to deal with the language deficiency of deaf students through the development of a special language laboratory and new materials for teaching language ($98,000). At the graduate level, the College will expand the teacher education program to include an undergraduate curriculum and to offer new courses in the area of education of multi-handicapped children ($51,000).

In addition, the budget request includes $437,000 for a faculty salary increase to maintain the College's salary scale at a competitive level which will enable the College to continue to attract and hold highly qualified and dedicated faculty.

In the area of research and curriculum development, we are requesting an increase of $60,000 for special studies in the fields of career/vocational education, genetic causes of deafness and mental retardation, and $50,000 to support faculty during the summer months who are working on the development of specialized instructional materials.

Finally, we have requested increases of $164,000 to meet the rapidly escalating cost of fuel oil and other utilities and $104,000 to continue our efforts to maintain the College's older buildings and to use preventive maintenance on the newer buildings.

MSSD

The Academic and Physical Education complex of the Model Secondary School for the Deaf is more than 60 percent complete and construction will begin soon on the residence halls. Curriculum materials are being developed and field tested in a number of schools prior to general distribution to all interested schools for the deaf. Course offerings to the present student body already are extensive, with additional courses under continuous development. Work-study programs, summer camp, and other community based programs are among available options to students. These and other programs are designed for the specific benefit of the Model Secondary School for the Deaf student body as well as providing models and patterns for other schools.

The MSSD requests an increase of $889,000 for operations in Fiscal Year 1976. In addition to an increase of $187,000 required to maintain the current salary schedule and to meet rising costs in the areas of food service and transportation, two major items are included within the request: 1) funds in the amount of $182,000 to operate the portion of the new facilities which will be occupied during the last half of the fiscal year and, 2) $425,000 for 45 additional staff required to provide for the increase of 75 new students and the expanded programs required upon occupancy of the new facilities in preparation for the full enrollment of 600 students.

KDES

The Kendall Demonstration Elementary School continues to strive to provide programs which address the total needs of young deaf children, and significant gains are being made toward development, evaluation, and dissemination of KDES programs.

An increase of $279,000 is requested for operations in fiscal year 1976. A major portion of which, $134,000, is required to maintain the current salary schedule; increased cost of food and transportation; and other built-in increases. The remaining $145,000 will provide for small program expansion in a number of areas including family education services, speech and audiological services, staff evaluation, dissemination and learning resources.

CONSTRUCTION

The budget request also includes planning money in the amount of $1,280,000 for the design of a new learning center, field house, and fifth dormitory to meet the pressing demands for space since the liberal arts college has already outgrown its existing plant. In addition, funds are included in the amount of $975,000 to support the conversion of the old dining hall for student use, the connection of existing buildings to the central cooling plant, and construction of streets and sidewalks in accordance with the campus master plan.

The decrease in construction funds from fiscal year 1975 is associated with the completion of MSSD dormitories, the funds for which are nonrecurring.

In summary, the college's fiscal year 1976 budget request will provide for the continued expansion and improvement of instruction and services for students, more effective management of the college and planning for future facility needs.

BUDGET REQUEST, 1976

Senator BAYH. Do you care to summarize your statement at all or shall we just start in with questions, whichever you prefer?

Mr. MERRILL. Well, I might read the first paragraph, which has to do with the appropriations request.

Mr. Chairman, I am pleased to present to this committee the fiscal year 1976 budget request for Gallaudet College in the amount of $22,435,000.

This request represents a decrease over fiscal year 1975 of $15,976,000 for construction and an increase over fiscal year 1975 of $2,816,000 for operations including $1,648,000 for the Liberal Arts College, $889,000 for the Model Secondary School for the Deaf, and $279,000 for the Kendall Demonstration Elementary School.

Senator BAYH. Does the institution offer the same programs as other colleges and universities with respect to work study programs?

Mr. MERRILL. Basically, we do. There has been quite an increase in the use of BEOGS also.

Senator BAYH. How is that working out?

Mr. MERRILL. The first year it did not work out well because we did not have adequate information at the time, but since that time it is helping considerably. Of course, we also request private donations in the form of scholarships.

Most of our students are also eligible for some help through vocational rehabilitation services, so together we do help them meet the costs of college.

Senator BAYH. If you had your druthers, would you rather have the BEOG'S, or the other assistance that has been available?

Mr. Merrill. I think it is important to have a mix of assistance for our students. We cannot deny that we would be lost, and our students would be lost, without the kind of rehabilitation funds that come from the various States. Of course, they are matched by Federal money and that helps a great deal. However, each State has a separate rehabilitation plan, and the kind of assistance students get, as they come from all of the States to Gallaudet, varies considerably. So we do need other forms of assistance to help provide support and to meet special needs. One State might not meet certain needs with rehabilitation funds. We can help with this. So BEOGS are an important supplement to this.

Senator BAYH. Has the present economic situation caused you hardships? Have you had to put off doing the things—I know there is a significant decrease in construction as well as increase in operations. Does that relate to long-term plans, or is it the economic situation?

Mr. MERRILL. I think it is some of both. We have been fortunate. We have not suffered the financial retrenchment that many colleges have suffered, due to the assistance from the Department and Congress. We have not suffered the loss of students, so we have been able to maintain our tuition, and that has not hurt us.

So I think we have progressed pretty well, and have not suffered as many other colleges have.

Mr. MILLER. Mr. Chairman, that decrease in construction is really more apparent than real. What we did was to move our 1976 request into 1975 so that we could go out on bid all at once for the dormitories at the Model and Secondary School.

Senator BAYH. So the 1975 construction really should be divided by 2?

Mr. MILLER. That is right.

STUDENT ENROLLMENT

Senator **Bayh**. You mentioned that you had a rather constant student enrollment?

Mr. **Merrill**. Yes. We have an enrollment projection. We asked the Deafness Research and Materials Center at New York University to make a study of our enrollment, taking into consideration the opening of other programs, including NTID, although the institutions serve different purposes.

So we do have that enrollment projection, and we will be pleased to submit it for the record. We know that our actual enrollment is running above the projections.

[The information follows:]

GALLAUDET COLLEGE

Projected Enrollment of Full-Time Undergraduate and Preparatory Students
1975-1986

1974*	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	198
986	986	1014	1080	1149	1211	1279	1347	1416	1465	1495	1514	152

The projection above is based on a running five-year average of survival ratios for all classes, plus the same numbers (210 and 83, respectively) of new preps and new freshmen in 1975 as in 1974, and a linear increase thereafter to 300 new preps by 1983 and 130 new freshmen by 1984.

This method of projection seems to yield very accurate results for all classes except each year's new preparatory class, which fluctuates considerably. For example, the enrollment projection for the fall of 1974 was 945, assuming a preparatory class of 172. Instead, the 1974 prep class is 210, resulting in an increase in full-time enrollment to 986.

*Actual Enrollment

SPECIAL SERVICES TO COMBAT DROPOUT PROBLEM

Senator **Bayh**. Do you have a dropout problem?

Mr. **Merrill**. Our college has services that try to deal with this. We do have a tutorial center, where students if they become discouraged, can get specific assistance and personal assistance. We do have a preparatory class, which means we can help students to work at the level they need to for a full course of liberal arts study.

We have noticed a decline in the losses we had. At first it ran pretty much as in a hearing college. About half of those who entered finished with a degree. We are working on that, and certainly more will finish and get their degrees and we will not have this dropout rate.

TUITION

Senator **Bayh**. What is the tuition?

Mr. **Merrill**. $562.

Mr. **Nance**. $562 for the fiscal year 1976. For this fiscal year, it is $540, for the 9 months.

Senator **Bayh**. Did tuition go down?

Mr. **Nance**. No; it is $540 this year.

Senator **Bayh**. Oh, we got those backward?

Mr. **Nance**. Sorry.

Senator **Bayh**. That is still a modest increase compared to what is happening to tuition elsewhere.

Mr. **Merrill**. We have an agreement with NTID and with the Department to establish our tuition at the average of the land-grant institutions, so each year we calculate what this tuition will be, and our tuition is the same.

DORMITORY FACILITIES

Senator **Bayh**. Do you have any dorm facilities for on-campus residents?

Mr. **Merrill**. Yes, we do, and part of our request here is for planning money, for a learning center, for dormitory 5 and for a fieldhouse. This is planning money that we are requesting in this budget.

Senator **Bayh**. So you have dorms presently as well as the ones that are being built. What percentage of your students live on the campus?

Mr. **Merrill**. I would say close to 95 percent of our students do use our dormitories.

NEW POSITIONS

Senator **Bayh**. You are asking for $480,000, an increase in the administrative program, to hire 27 more people. The rationale says this is for the security, postal, and preventive maintenance services. How much of this is going for each? Do you have an increased security problem?

Mr. **Merrill**. Actually the college is requesting 49 new positions, and 23 of these are for half-year, because they are associated directly with the opening of some new facilities that we have, and we can provide a breakdown for these—the 26 full-time positions, and the 23 that would be half-year.

[The information follows:]

POSITION ANALYSIS FOR FISCAL YEAR 1976 BUDGET

College.—The College of Liberal Arts has requested 49 positions for FY 1976. Of these, 23 are directly associated with the opening of new facilities including the new MSSD complex, the central utilities building and the central dining facility, including the infirmary. The remaining 26 are in support of expanding programs in other units of the Liberal Arts College. The 23 positions funded for one half year represent a total request of $90,202. The remaining 26 positions represent a total of $291.222. The sum of these figures is equal to $381,425 representing the total increases requested for FY 1976. This amount, however, has to be incremented by 10 percent for benefits. So incrementing gives a total of $419,567 which, rounding to the nearest thousand, is exactly equal to the total amount requested for new positions and benefits for FY 1976. This $420,000 figure is the amount that appears in the FY 1976 Congressional Budget document.

MSSD.—The Model Secondary School for the Deaf has requested a total of 45 positions for FY 1976. Of these, 34 positions are directly related to the influx of new students expected in the last half of FY 1976. These positions are five resident advisors, 25 instructors, and four instructor aides. These positions will be funded for one half year representing a total of $215,475. Of the remaining positions, 11 positions are those required to support current programs and to prepare for the move to the new facility. These 11 positions represent a total of $170,889. The total basic salary request for all 45 positions is $386,364. This total, however, needs to be incremented by 10 percent to reflect the benefits which the College pays, making the total amount requested $425,000. This amount is exactly equal to that contained in the FY 1976 Congressional Budget document.

Mr. MERRILL. Would you like me to comment? I have a list here of actual positions.

Senator BAYH. We will put that in the record.

Does that mean that the facilities are not going to be open immediately, and that thus in the next year's budget those people become permanent?

Mr. MERRILL. Twenty-three of them we will employ for a half year because the facilities will not open at the beginning of the school year.

Senator BAYH. And next year?

Mr. MERRILL. They will be full-time people. We are requesting one full-time security officer. That is an increase to 23 full-time security officers.

SECURITY PROBLEMS

Senator BAYH. Are you still having security problems on campus?

Mr. MERRILL. We have not had serious incidents against persons. We are very pleased about this. With improved lighting, an improved number of security officers, and some closed circuit televisions we have a comfortable environment. We have lost some equipment and we are trying to do something about that.

We keep a careful record of this, typewriters, record players, and things of this nature that are easily stolen.

KENDALL SCHOOL

Senator BAYH. You are asking $147,000 to increase the Kendall program. Is that program fully operational?

Mr. MERRILL. Yes, the Kendall Elementary School program is an old school. It has a new congressional goal established for it. This school will receive no new positions. The increases are for raises for the faculty and for expanding one or two programs, particularly the parent education programs, because of the early involvement of young deaf children which is very important.

Senator BAYH. Do you have any problem keeping faculty?

Mr. **Merrill.** No. I think we have done very well in recruiting. We have a number of applications. Our faculty, of course, do have to go through an intensive orientation session and training session so that they can communicate in total communication. We do not give tenure to the faculty who do not pass a rather rigorous test in both receptive and expressive skills in total communication.

ADULT EDUCATION

Senator **Bayh.** Are you having financial difficulties with adult education?

Mr. **Merrill.** I think our adult education program is budgeted at about $350,000 annually now. It is certainly one of our most successful programs. Last year we served 1,288 deaf adults, in short courses or longer ones, including courses leading to college credit.

This has been a successful venture. Deaf adults have been isolated in the past. They have not had the opportunity to study and continue their education. We find them underemployed and not receiving promotions because they have not had an opportunity to continue study. So this program has been very successful.

The program extends beyond the campus of Gallaudet, and we are stimulating the development of continuing education programs in other places in the country.

This program also conducts forums for deaf adults, helping deaf people meet well-known people in their localities. Mrs. Katharine Graham spoke on our campus and Mr. Danzansky also talked about rising prices, and answered questions. This kind of forum is being extended to San Francisco, Los Angeles, Atlanta, and other places. We always sponsor these forums in connection with other institutions, or organizations, so it is very effective.

Senator **Bayh.** It certainly is an important role to play, and I commend you for what you are doing. I think that is all the questions. Thank you for being with us.

Mr. **Merrill.** Thank you.

HOWARD UNIVERSITY

STATEMENT OF DR. JAMES E. CHEEK, PRESIDENT

ACCOMPANIED BY:

- **DR. CASPA L. HARRIS, JR., VICE PRESIDENT FOR BUSINESS AND FISCAL AFFAIRS, TREASURER**
- **DR. CARLTON P. ALEXIS, VICE PRESIDENT FOR HEALTH AFFAIRS**
- **DR. LORRAINE WILLIAMS, ACTING VICE PRESIDENT FOR ACADEMIC AFFAIRS**
- **DR. ROGER D. ESTEP, VICE PRESIDENT FOR DEVELOPMENT AND UNIVERSITY RELATIONS**
- **DR. CHARLES S. IRELAND, HOSPITAL DIRECTOR, FREEDMEN'S HOSPITAL**
- **MRS. DOROTHY H. BAYEN, BUDGET DIRECTOR**
- **AUGUSTUS L. PALMER, ASSISTANT TREASURER, HOWARD UNIVERSITY AND FINANCIAL DIRECTOR, FREEDMEN'S HOSPITAL**
- **CHARLES MILLER, DEPUTY ASSISTANT SECRETARY-COMPTROLLER**

BUDGET REQUEST

Senator BAYH. Dr. Cheek, it is good to have you with us this morning.

Dr. CHEEK. Thank you, Senator.

Senator BAYH. Give us a breakdown on the Howard University budget. I think there is an increase of about $3 million next year, and introduce your colleagues.

Dr. CHEEK. Yes. I have to my immediate right, Dr. Caspa L. Harris, Jr., the vice president for business and fiscal affairs, and Dr. Alexis, vice president for health affairs.

Senator BAYH. We are glad to have you gentlemen here.

Dr. CHEEK. I have a statement, Mr. Chairman. Would you like for me to read it?

Senator BAYH. You may read it or put it in the record, whichever you prefer.

Dr. CHEEK. I will be guided by your decision on this.

Senator BAYH. How long is it?

Dr. CHEEK. Very brief.

Senator BAYH. Why don't you go ahead and read it?

Dr. CHEEK. All right.

OPENING STATEMENT

Mr. Chairman, on behalf of the faculty, staff, and students of Howard University I express to the committee sincere appreciation for the assistance provided our institution in the past, and I thank you for allowing me the privilege to present the university's budget request for fiscal year 1976.

The university is requesting $84,158,000 in appropriated funds as partial support for the three components of its budget as follows:

$54,559,000 for partial support of the academic program;

$19,549,000 for partial support of Freedmen's Hospital operations;

And $10,000,000 in new construction authority.

The academic program component of our budget includes a requested increase of $4,805,000, representing $1,800,000 for faculty salary increases averaging 6 percent which is in line with salary increases proposed by the American Association of University Professors.

We are also requesting $200,000 as partial support of our retirement program, and $450,000 for the university's library system. The remainder, $2,355,000, is to be allocated among the schools and colleges to assist in meeting some of the more pressing needs for faculty, supporting staff, supplies, and equipment as cited by accrediting agencies as well as the Office of Education in its various annual reports.

The university proposes in 1976 to correct as many academic deficiencies as possible within its budget during this period of inflation and high energy costs.

The construction portion of our request is composed of five projects and does not include new construction. We are requesting $4,000,000 for partial payment and renovation of the Dunbarton College campus; $3,000,000 for partial renovation of the old Freedmen's Hospital buildings that are expected to be converted to academic use; $1,000,000 for the renovation of the powerplant smokestack in accordance with regulations of the Environmental Protection Agency; $1,000,000 for the acquisition and renovation of property currently under lease for the use of the school of business and public affairs and administration; and $1,000,000 for renovations and repairs in other campus buildings to conform with regulations of the District of Columbia Housing Codes.

This year no additional Federal funds are requested for the operation of Freedmen's Hospital.

Mr. Chairman, I shall be happy to answer any questions related to our 1976 budget request and the programs of the university.

Again, I thank you and the committee members for your assistance and support of our needs.

Senator **Bayh**. Thank you, Dr. Cheek. We will include your biographical sketch and related materials in the record at this point.

Dr. **Cheek**. Thank you, Senator.

[The biography and statement follow:]

BIOGRAPHICAL SKETCH

Name: James E. Cheek.

Position: President of the University.

Birthplace and date: Roanoke Rapids, North Carolina; December 4, 1932.

Education: Shaw University, 1955, B.A.; Colgate-Rochester Divinity School, 1958, B.D.; Drew University, 1962, Ph. D.

Experience—

Present: President, Howard University. 1963–69: President, Shaw University, Raleigh, North Carolina. 1961–63: Assistant Professor of New Testament and Historical Theology, Virginia Union University, Richmond, Virginia. 1959–61: Instructor in Western History, Union Junior College Cranford, New Jersey. 1959–60: Teaching Assistant in Historical Theology, Drew Theological School, Madison, New Jersey.

Association memberships—

Board of Directors: National Council on Educating the Disadvantaged; The Fund for Theological Education; National Association for Equal Opportunity in Higher Education; Joint Center for Political Studies; International African Chamber of Commerce; The First National Bank of Washington.

Board of Trustees: The University of Miami; Drew University; Colgate-Rochester Divinity School; International Council for Educational Development; The Fund for Peace; Institute of International Education (Honorary); Middle States Association of Colleges and Secondary Schools.

Honors and recognitions: *Doctor of Humanities,* Shaw University, 1970; *Doctor of Humane Letters,* Trinity College, 1970; *Doctor of Laws,* A & T State University, 1971; *Doctor of Laws,* Drew University, 1971; *Docteur Honoris Causa,* l'Universite d'Etat d'Haiti, 1972; *Doctor of Laws,* Delaware State College, 1972; *Doctor of Education,* Providence College, 1972.

PREPARED STATEMENT

Mr. Chairman and members of the committee, on behalf of the faculty, staff and students of Howard University I express to the Committee sincere appreciation for the assistance provided our institution in the past, and I thank you for allowing me the privilege to present the University's budget request for fiscal year 1976.

The University is requesting $84,158,000 in appropriated funds as partial support for the three components of its budget as follows: $54,559,000 for partial support of the Academic Program, $19,559,000 for partial support of Freedmen's Hospital operations and $10,000,000 in new construction authority.

The Academic Program component of our budget includes a requested increase of $4,805,000, representing $1,800,000 for faculty salary increases averaging 6 percent which is in line with salary increases proposed by the American Association of University Professors (AAUP). We are also requesting $200,000 as partial support of our retirement program and $450,000 for the University's library system. The remainder, $2,355,000, is to be allocated among the schools and colleges to assist in meeting some of the more pressing needs for faculty, supporting staff, supplies and equipment as cited by accrediting agencies as well as the Office of Education in its various annual reports.

The University proposes in 1976 to correct as many academic deficiencies as possible within its budget during this period of inflation and high energy costs.

The Construction portion of our request is composed of five projects and does not include new construction. We are requesting $4,000,000 for partial payment and renovation of the Dunbarton College campus; $3,000,000 for partial renovation of the old Freedmen's Hospital buildings that are expected to be converted to academic use; $1,000,000 for the renovation of the Power Plant smokestack in accordance with regulations of the Environmental Protection Agency; $1,000,000 for the acquisition and renovation of property currently under lease for the use of the School of Business and Public Administration; and $1,000,000 for renovations and repairs in other campus buildings to conform with regulations of the District of Columbia Housing Codes.

This year, no additional Federal funds are requested for the operation of Freedmen's Hospital.

Mr. Chairman, I shall be happy to answer any questions related to our 1976 budget request and the programs of the University.

Again, I thank you and the Committee members for your assistance and support of our needs.

FACULTY SALARY INCREASE

Senator **BAYH.** Dr. Cheek, are you having any problems retaining faculty on the campus? Will the 6-percent increase permit you to do what you want to maintain and improve your faculty?

Dr. **CHEEK.** Mr. Chairman, it will help us continue to make progress toward our goal of maintaining our faculty salaries at the level of step 1 of the AAUP, the American Association of University Professors' scale.

This will enable us to remain competitive, and we have not lost in the last 2 or 3 years any significant number of faculty.

THE HOWARD UNIVERSITY TEACHING HOSPITAL

Senator **Bayh**. I am glad to hear that. I want to congratulate all of you at Howard for opening a new hospital there. Are you having any unexpected problems at this early stage?

Dr. **Cheek**. The only problem we are having right now is in recruiting some specialized personnel that we need to operate the various systems, and we are going to see if we can't work that problem out.

Senator **Bayh**. How long are—is it going to take to renovate the old hospital?

Dr. **Cheek**. We hope it will be done in stages, but we hope to accomplish most of it within a year.

Senator **Bayh**. Can you give us for the record a projected cost of what, and when, the amounts are going to be required for that renovation?

Dr. **Cheek**. In stages? Well, we are requesting $3 million, and the $3 million is to——

Senator **Bayh**. Is that just for this year?

Dr. **Cheek**. For this year, yes——

Senator **Bayh**. Or the total?

Dr. **Cheek**. For 200,000 square feet, and this is not total renovation. This is what our building program officer refers to as minimal renovation.

There are some areas of the old hospital we won't have to renovate at all, significantly, but most of it, of course, we will, because we will be converting this from hospital usage to academic usage. The total projected cost is $8.5 million.

Senator **Bayh**. Will all that come in the next year?

Dr. **Cheek**. No; it is not likely to all come in the next year.

Senator **Bayh**. If you can submit that for the record later, as to what the schedule is, I would appreciate it.

Dr. **Cheek**. The schedule; all right.

[The information follows:]

Estimated schedule of renovations for Old Freedmen's Hospital buildings

1976	$3, 000, 000
1977	3, 000, 000
1978	2, 500, 000
Total	8, 500, 000

DISTRICT OF COLUMBIA RENOVATION REQUEST

Senator **Bayh**. You are asking for $1 million for renovations required to comply with the District of Columbia Code. Is that pollution?

Dr. **Cheek**. No. That is something else. The District of Columbia was not aware that Howard University was not a Federal institution, and in a sense a Federal agency, and it discovered a few years ago that our buildings were not owned by the Federal Government, but were under the control of the Federal Government during the time of construction; namely, under the control of GSA, and upon completion turned over to the university.

On the assumption that they were Federal buildings, they had never been inspected by the officials of the District of Columbia.

When they learned that they were university owned, then they started sending inspection teams in, and our buildings were not in earlier years constructed with the District of Columbia Code in mind.

Senator **Bayh**. So this is to bring them up to the standards of the District of Columbia Code?

Dr. **Cheek**. That is right.

DUNBARTON CAMPUS

Senator **Bayh**. What will be—what will the Dunbarton facility be used for when you are done?

Dr. **Cheek**. We currently have housed there the school of law, the Institute for Urban Studies and Research, the Institute for the Study of Educational Policy, the Howard University Press, the Offices of Alumni Affairs, the Offices of the General Counsel, and the Institutes for the Arts and the Humanities.

Ultimately somewhere in the short- or long-range future, we plan married student apartments, because the university currently does not have any married student housing available and there is some desire on the part of the law school officials to have this kind of complex for the benefit of our law school students.

Senator **Bayh**. We are having a Judiciary Committee hearing on a judicial appointment.

Dr. **Cheek**. Yes; I understand.

Senator **Bayh**. Could you continue?

Dr. **Cheek**. The department involved with housing is the law school——

Senator **Bayh**. What is your time schedule for completing the renovation and purchase?

Dr. **Cheek**. We have already moved in. We moved in this past school year, and all of the programs scheduled to operate are already located there with the exception of the program of urban studies and research and the program in the arts and sciences and humanities, and they are scheduled to be moved in sometime during this summer.

Senator **Bayh**. What is going to be the total cost of that Dunbarton program?

Dr. **Cheek**. The purchase price was $8.3 million. We have notes on two of the facilities that we assumed, and additional renovation costs. We expect an additional $5 million for renovations.

Senator **Bayh**. Does the law school have an evening division?

Dr. **Cheek**. No, it does not.

Senator **Bayh**. Should it?

Dr. **Cheek**. It is very interesting. Once upon a time it did, and the thought was by getting rid of the evening division it would make the law school more prestigious, and so it was abolished. The law school during the past 7 or 8 years has had so many problems, basically problems relating to rapid turnover in leadership and space, which Dunbarton, of course, alleviates, that it has been our thinking that we need to stabilize the day program first before undertaking an evening program.

As to an opinion as to whether or not it should, I think it should.

Senator Bayh. I think that Howard has, does have, and will continue to have the prestige that can't be destroyed by making that additional educational opportunity available.

Dr. Cheek. I would agree.

COST COMPARABILITY STUDY

Senator Bayh. One last area, and I am sure you expected this, so I don't want to disappoint you. What prompted our friends over in the House to investigate Howard?

Dr. Cheek. We have been trying to find that out ourselves, and I really don't know. I might conjecture that 2 or 3 years ago we conducted at Howard what we called a comparative resource study, comparing the resources available to Howard with 11 other universities that were comparable in size, scope, complexity, et cetera, and we selected institutions according to specific criteria, and collected the data directly from those universities as well as from public documents, and provided the committee—the subcommittee—with the information showing how Howard was deficient in approximately 20 areas of resources that are generally regarded as indices to the adequacy of the university's program.

Now that is purely a guess on my part. The study that was prepared by the investigation and survey team of the Appropriations Committee of the House is totally different from the study we conducted.

Our study was a study of resources. This study purports to be a study of educational cost, and the approach that was taken is totally different from ours, and we have a considerable number of problems with the report.

Senator Bayh. The report said you were reluctant to provide information because you did not like the comparisons they were making. That is generally what you said. Would you like to explain that?

Dr. Cheek. I am not sure we were reluctant to provide the information.

Senator Bayh. You are not sure you were?

I think that is what the report said.

Dr. Cheek. If we were reluctant, I don't know about it. The other schools were reluctant to provide information. I have stated before the subcommittee of the House my concerns about the report in view of the institutions that were selected, because they are not comparable in size.

Some are not comparable in character, and the data are used selectively. It is misleading.

The eight schools that were chosen were not included in every instance where they make comparisons. In some cases, only two schools are used. We did not have any problem in supplying them with data.

I might say in connection with that, Mr. Chairman, that one of the problems of this report is that the survey team had direct access——

Senator Bayh. Excuse me a moment.

[Brief recess.]

Senator Bayh. I am sorry for the delay. We had not only a committee vote, but a vote upstairs. We have nine in a row so we will try to finish.

Mr. MILLER. Mr. Chairman, in order not to interrupt Dr. Cheek's testimony, I want to underscore something he said. I have read the House report, and when they talked about difficulties in obtaining data, I do not think they were referring to Howard University, but to the other universities.

Senator BAYH. Were referring to what?

Mr. MILLER. To the other universities. I do not think they encountered difficulty getting information from Howard.

Dr. CHEEK. I might add, Mr. Chairman, that with respect to Howard, they had direct access to our records, whereas in the case of other universities, they prepared questionnaires and schedules which the universities provided. They filled in the data. So we have already checked with two institutions that are included in this study with respect to some items, and have been informed that the data reported in the report are not accurate.

Senator BAYH. Well, I want the record to be perfectly clear that in my previous capacity as chairman of the District of Columbia Subcommittee, I have become very familiar with Howard and what it is accomplishing and I have great faith in Dr. Cheek.

I think it is responsible to get these questions on top of the table and give you a chance to respond, and that is what I am doing.

Dr. CHEEK. Yes; I understand.

Senator BAYH. Now, Mr. Miller, if other premises are wrong—or Dr. Cheek—as I recall, the House report implied that because you rely on the Federal Government you don't pay as much attention to balancing your budget as perhaps would otherwise be the case.

Would you care to comment on that?

Dr. CHEEK. Yes, Mr. Chairman. That is totally erroneous. We are required by the policy of our board of trustees to present to it a balanced budget, and our budget is reviewed by a budget committee of the board of trustees, and they will not accept from the administration anything other than a balanced budget.

Our expenditures or projected expenditures, must conform to projected revenue, and the relationship with the Federal Government has nothing at all to do with the way in which we go about building our budget with respect to balancing it.

Senator BAYH. The report also states that expenditures per student at Howard are much higher than at other schools, while you charge your students much less.

The House suggests that you ought to review that with adjustments in mind. What do you charge your students, and would you care to explain or comment on this matter?

Dr. CHEEK. Yes. First of all, I take some quarrel with the use of the term "substantially," our expenditures being substantially higher. A careful analysis of that portion of the report will indicate the way in which they arrived at that conclusion, by including some schools and excluding others where it was, I suppose, necessary to arrive at that kind of conclusion.

No institution, as you know, to my knowledge, charges a student the full cost of his education. All universities have to subsidize the education of their students in some way or the other. At Howard it was the practice until 1969 to maintain tuition at the level of publicly supported institutions. I disagreed with that approach to developing our tuition structure, because I felt that the publicly supported institutions had the best of two worlds, if not three, particularly because in addition to receiving appropriations from the State legislatures, they also received subsidies in some form or the other from the Federal Government, and in addition to that, they also received support from private sectors, or corporations and foundations.

I therefore favored the policy of trying to develop a tuition structure that would be somewhere between public and private, more in line with the charges at other predominantly black institutions, since this is the student population that we primarily are serving.

Now in order to do that, we have to increase our tuition by gradual steps. We could not take a giant step without demolishing our student body considerably, unless we had substantial infusions of new money for student financial aid.

At the present time, in the undergraduate schools this year, our tuition is $1,100 dollars; in fine arts, it is $1,164; in medicine it is $1,500; in dentistry, it is $1,300; and in law it is $1,150.

The budget committee of the board of trustees this month—I am sorry, the month of April—will make the decision about the tuition increase for next year.

Senator **Bayh**. These are annual two terms?

Dr. **Cheek**. These are annual, two terms. We acknowledge that these figures are substantially below the figures reported for the schools in this report. They would be substantially below any predominantly white institutions for the reasons that I have already stated, the economic background of our students.

We are going to make adjustments for next year. Unfortunately, I am not able to say today what they will be, because the board of trustees is taking the position that it will make the decision based upon information supplied to them by the administration.

Senator **Bayh**. Do you have any inside information as to what the judgment of the board of trustees would be, bearing in mind that this is their judgment and not yours?

It is also subject to revision. If you care to make it off the record——

Dr. **Cheek**. I will make it off the record.

[Discussion off the record.]

Senator **Bayh**. On the record.

Thank you, Dr. Cheek, and gentlemen. We appreciate the job you're doing.

Dr. **Cheek**. Thank you very much.

JUSTIFICATION

Senator **Bayh**. We will put the budget justifications for the accounts we have heard this afternoon in the record.

[The justifications follow:]

Justification

Appropriation Estimate

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 USC 101-105) [$1,967,000] *$2,408,000.*

For "American Printing House for the Blind" for the period July 1, 1976, through September 30, 1976, $602,000.

Amounts Available for Obligations

	1975	1976
Appropriation/obligations....................	$1,967,000	$2,408,000

Summary of Changes

1975 Actual obligations....................................	$1,967,000
1976 Estimated obligations.................................	2,408,000
Net Change..	+441,000

	1975 Base	Change from Base
Increases:		
A. Program:		
1. Educational materials..............	$1,887,000	$+441,000
2. Advisory committees................	80,000	---
Total, net change................	1,967,000	+441,000

Explanation of Changes

Increases:

A. Program:

1. Educational materials--The increase of $441,000 will supply an estimated additional 1,500 blind students and all 1975 base pupils (25,809) with educational materials. The per capita rate will increase approximately $12.11 and the number of pupils to be served will increase from 25,809 in 1975 to 27,309 in 1976.

Obligations by Activity

	1975 Actual	1976 Estimate	Increase or Decrease
Grants for education of the blind:			
(a) Educational materials..........	$1,887,000	$2,328,000	$+441,000
(b) Advisory committees............	80,000	80,000	---
Total obligations............	1,967,000	2,408,000	+441,000

Obligations by Object

	1975 Actual	1976 Estimate	Increase or Decrease
Grants, subsidies, and contributions	$1,967,000	$2,408,000	$+441,000

Authorizing Legislation

	1976	
Legislation	Authorization	Appropriation requested
"An Act providing additional aid to the American Printing House for the Blind" (P.L. 87-294, Sec. 4,75 Stat. 627)	Indefinite	$2,408,000

Appropriation History

Year	Budget Estimate To Congress	House Allowance	Senate Allowance	Appropriation
1965	$ 865,000	$ 865,000	$ 865,000	$ 865,000
1966	909,000	1,000,000	1,000,000	1,000,000
1967	1,027,500	1,027,500	1,027,500	1,027,500
1968	1,225,000	1,225,000	1,225,000	1,225,000
1969	1,340,000	1,340,000	1,340,000	1,340,000
1970	1,404,000	1,404,000	1,404,000	1,404,000
1971	1,476,000	1,557,000	1,517,000	1,517,000
1972	1,580,000	1,580,000	1,580,000	1,580,000
1973	1,696,500	1,696,500	1,696,500	1,696,500
1974	1,817,000	1,817,000	1,817,000	1,817,000
1975	1,967,000	1,967,000	1,967,000	1,967,000
1976	2,408,000			

JUSTIFICATION

	1975 Actual	1976 Estimate	Increase or Decrease
Educational materials..........	$1,887,000	$2,328,000	$+441,000
Advisory committees............	80,000	80,000	---
Total....................	1,967,000	2,408,000	+441,000

General Statement

Background

The American Printing House for the Blind was charactered by the State of Kentucky in 1858 for the non-profit manufacture of books and appliances for use in the education of blind children in special schools for the blind. In 1879, the Congress passed an Act, "to promote the education of the blind" providing for a permanent annual appropriation of $10,000. In 1919 an Act provided for an additional annual authorization of appropriations. The authorized amount was increased through a series of amendments until fiscal year 1962. Early in fiscal year 1962, an amendment (P.L. 87-294) - (1) removed the statutory limitation entirely; and (2) provided that a reasonable sum of the annual appropriation might be used for salaries and expenses relating to advisory committees, consultants, and filed services.

Prior to the spring of 1970, all students served through the Federal appropriation were required to be in attendance at publicly supported educational institutions. However, at that time, through an amendment to the Elementary and Secondary Education Act, this requirement was deleted from the basic authorizing Act "To Promote the Education of the Blind," and its benefits opened to all blind pupils of less than college grade, including those attending private non-profit educational institutions.

Allocation of Funds

In administering the appropriation, the Printing House obtains a certified registration from each public and private non-profit institution for the education of the blind, and from each chief State school officer for blind pupils enrolled in public, non-profit educational institutions and public school classes. These certificates of registration of the number of blind pupils as of the first Monday in January are used for computing the ratio of each pupil registered against the aggregate of the registrations.

This ratio is then applied to the total of the annual and permanent appropriations, less the amount earmarked for expenses relating to advisory committees and field representatives, in order to determine the quota credit to be given to each public and private non-profit institution for the education of the blind and to each chief State school officer. Against this credit, books and materials are shipped to the schools for the blind on order from their superintendents and to public school classes on order from each chief State school officer. So that the needs of the schools may be promptly and efficiently met, the Printing House maintains at its own expense a continuing open stock inventory valued at more than $1,500,000.

The request for 1976 is $2,408,000, of which $2,328,000 will be used to supply educational materials to all blind students of less than college grade; the remainder of $80,000 is estimated for staff salaries and other expenses related to the activities of Advisory committees, consultants, and field services.

NARRATIVE

Educational materials: The request of $2,328,000, when taken together with the $10,000 permanent appropriation and applied to an estimated 27,309 eligible blind students, will provide a per capita rate of approximately $85.61 for fiscal year 1976. Due to increases in the cost of raw materials and labor, the estimated per capita rate of $85.61 is an increase of approximately 16.5% over that of 1975, and the estimated 1,500 additional eligible students to be registered will represent approximately 6% increase in eligible students.

Advisory committees: The American Printing House for the Blind has three (3) Advisory committees - Publication Committee, Educational Aids Committee and the Educational Research Committee. These committees advise and approve materials and aids to be manufactured through the Federal appropriation. The request for 1976 is $80,000, the same as the 1975 appropriation.

Federal Aid to States, Territories and Possessions
and
The Number of Pupils Registered for each Year

	No. of Pupils First Monday in January			Appropriation for Fiscal Year		
	Actual 1973	Actual 1974	Projected 1975	Actual 1974	Actual 1975	Projected 1976
Alabama	533	803	850	$ 38,540	$ 59,022	$ 72,771
Alaska	37	42	44	2,676	3,087	3,767
Arizona	158	171	181	11,425	12,569	15,496
Arkansas	310	318	336	22,416	23,373	28,766
California	2,442	2,844	3,009	176,578	209,038	257,609
Colorado	300	311	329	21,692	22,859	28,167
Connecticut	430	418	442	31,093	30,724	37,841
Delaware	54	60	64	3,905	4,410	5,479
Florida	923	1,021	1,080	66,741	75,045	92,462
Georgia	629	660	698	45,482	48,511	59,758
Hawaii	36	32	34	2,603	2,352	2,911
Idaho	57	72	76	4,122	5,292	6,507
Illinois	1,424	1,764	1,867	102,968	129,657	159,839
Indiana	552	574	607	39,915	42,190	51,967
Iowa	325	329	348	23,500	24,182	29,793
Kansas	327	278	294	23,645	20,433	25,170
Kentucky	302	308	326	21,837	22,638	27,910
Louisiana	468	485	513	33,840	35,648	43,919
Maine	133	141	149	9,616	10,364	12,756
Maryland	546	548	580	39,480	40,279	49,655
Massachusetts	768	884	935	55,532	64,975	80,048
Michigan	1,047	1,126	1,191	75,708	82,763	101,965
Minnesota	364	399	422	26,321	29,327	36,128
Mississippi	207	236	250	14,967	17,346	21,403
Missouri	426	452	478	30,804	33,223	40,923
Montana	106	107	113	7,664	7,865	9,674
Nebraska	149	151	160	10,774	11,099	13,698
Nevada	26	26	28	1,880	1,911	2,397
N. Hampshire	128	134	142	9,225	9,849	12,157
New Jersey	818	799	845	59,148	58,728	72,343

Federal Aid to States, Territories and Possessions (contd.)

	No. of Pupils First Monday In January			Appropriation for Fiscal Year		
	Actual 1973	Actual 1974	Projected 1975	Actual 1974	Actual 1975	Projected 1976
New Mexico	152	203	215	10,991	14,921	18,407
New York	1,988	1,761	1,863	143,748	129,436	159,496
North Carolina	630	623	659	45,554	45,791	56,419
North Dakota	40	61	65	2,893	4,484	5,565
Ohio	956	896	948	69,127	65,857	81,161
Oklahoma	200	201	213	14,462	14,774	18,236
Oregon	267	269	285	19,306	19,772	24,400
Pa.	1,484	1,529	1,618	107,305	112,384	138,522
Rhode Is.	197	162	172	14,245	11,907	14,725
S. Carolina	471	474	502	34,057	34,840	42,978
S. Dakota	64	64	68	4,628	4,704	5,822
Tennessee	431	542	574	31,165	39,838	49,142
Texas	1,087	1,220	1,291	78,599	89,672	110,526
Utah	172	183	194	12,437	13,451	16,609
Vermont	63	62	66	4,555	4,557	5,650
Virginia	665	665	704	48,085	48,879	60,271
Washington	391	454	480	28,272	33,370	41,094
W. Virginia	278	239	253	20,102	17,567	21,660
Wisconsin	363	408	432	26,247	29,988	36,985
Wyoming	49	56	59	3,543	4,116	5,051
Dist. of Col.	126	126	133	9,110	9,261	11,386
Canal Zone	-0-	1	1	-	- 73	86
Puerto Rico	96	109	115	6,942	8,011	9,845
Guam	-	8	8	-	588	685
American Samoa	-	-	-	-	-	-
Virgin Islands	-	-	-	-	-	-
	24,195	25,809	27,309	$1,749,500	$1,897,000	$2,338,000*

PER CAPITA:

For year ending June 30, 1974(based on actual registrations Jan. 1973)$72.3083
For year ending June 30, 1975(based on actual registrations Jan. 1974)$73.5015
For year ending June 30, 1976(based on projected registrations Jan. 1975)85.6128

*Includes the $10,000 the Printing House receives annually from a permanent appropriation.

Program, Purpose and Accomplishments

Activity: Educational materials

1975	1976	
Amount	Authorization	Budget Estimate
$1,887,000	Indefinite	$2,328,000

Purpose: The American Printing House for the Blind, under the Act, "To Promote the Education of the Blind" provides educational materials to students, of less than college grade, who attend public schools and classes with sighted children and blind students who attend special schools and classes for the blind.

Explanation: All Superintendents of Schools for the Blind and of Public Instruction in the various states, or their designees, are Ex officio Trustees of the Printing House in the administration of the Federal Act, "To Promote the Education of the Blind." This group meets annually in October or November, at the American Printing House, with the Corporate Board of Trustees to review the past year's work and to adopt textbooks, approve educational aids to be manufactured and recommend research to be undertaken during the year ahead. The various Advisory Committees are also elected at the Annual Meeting. In addition to producing the newly adopted materials for the next school year, the Printing House makes the necessary reprints and keeps in stock a finished goods inventory of more than $1,500,000 in order to serve the needs of the Schools for the Blind and State Departments of Education on a current order basis.

Accomplishments in 1975: The American Printing House for the Blind supplied educational materials and educational aids for education of the blind to 24,195 blind children in schools for the blind and in private nonprofit and public schools. The gap between research and development and actual production of new aids was greatly reduced and several new aids were produced, i. e. the Primary Peg Set, Biological Models, Insect Identification Kit, the Numberline and the Individual Study Screen, etc. With emphasis on reaching blind children at early ages, young blind children in formally organized nursery schools were served. Materials and books were also provided to multi-handicapped blind children and adult trainees at rehabilitation centers. Based on registration of pupils as of the first Monday in January 1974, 25,809 pupils will be served by the Printing House in 1975.

Objectives for 1976: To continue to produce on schedule the various new educational aids and materials as approved by the Committees for the new school year, and maintain current inventory on all materials listed in catalogs in order to provide the best possible service to the various schools educating blind children. The request for 1976 represents an increase in per capita of approximately 16.5% and a 6% increase in total number of eligible students to be served.

Program, Purpose and Accomplishments

Activity: Advisory committees

1975	1976	
Amount	Authorization	Budget Estimate
$80,000	Indefinite	$80,000

Purpose: To advise and approve aids and materials to be manufactured and supplied through the Federal appropriation.

Explanation: There are three(3) Advisory Committees, consisting of five members of the Ex officio Trustees each - Publications Committee, Educational Aids Committe and Educational Research Committee.

Accomplishments in 1975: The Publications Committee and Educational Aids Committee advised and approved materials and aids to be manufactured and supplied through the Federal Appropriation. The Educational Research Committee advised and assisted in the identification of relevant areas for educational research and materials developed. Field representatives for the Printing House travelled to State Departments of Education and Schools for the Blind and met with the teachers to advise them on facilities and materials available to blind children.

Objectives in 1976: To continue to advise the Printing House on educational research to be undertaken, educational materials and educational aids to be manufactured and made available to blind children. Also, maintain a continuing contact with the schools for the blind, public and parochial schools education blind children, and provide assistance to colleges and universities conducting training programs for teachers of special education. Field representatives for the Printing House will travel to public and private nonprofit schools educating blind children and to schools for the blind and advise teachers on materials available and their use in the education of blind children. The Printing House will also continue to give assistance to colleges and universities conducting training programs for teachers of the blind.

Amounts Available for Obligations

	1976 Interim Period
Appropriation/obligations	$602,000

Obligations by Activity

Grants for Education of the Blind:	
(a) Education materials	$582,000
(b) Advisory committees	20,000
Total obligations	602,000

Obligations by Object

Grants, subsidies and contributions	$602,000

Narrative

The estimate for the three-month interim period is $602,000. This total is based on one-fourth of the Printing House 1976 budget estimate.

The purpose of this request is to provide a continuous service during this period for 6,827 pupils @$21.40 per pupil.

Justification

Appropriation Estimate

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681, et seq.) [$9,819,000 of which $1,981,000 shall be for construction and shall remain available until expended] *$9,836,000.*

Amounts Available for Obligation

	FY75	FY76
Appropriation	$ 9,819,000	$ 9,836,000
Receipts and reimbursements from non-Federal sources	937,000	1,144,000
Total Obligations	10,756,000	10,980,000

Summary of Changes

1975 Estimated Obligations	$10,756,000
1976 Estimated Obligations	10,980,000
Net Change	224,000

	Base		Change from Base	
	Pos.	Amount	Pos.	Amount
Increases:				
A. Built-in:				
1. Annualization of FY75 salaries	---	---	---	+$ 455,000
2. Salary increment	---	---	---	+ 578,000
3. Contracted student services	---	---	---	+ 68,000
4. Annualization of and rates for contracted building services	---	---	---	+ 193,000
Subtotal	---	---	---	+ 1,294,000
B. Program:				
1. Increased number of students	---	---	+26	+$ 450,000
2. Research	---	$1,139,000	+ 3	+ 461,000
Subtotal	---	---	+29	+ 911,000
Total, increases	---	---	+29	+ 2,205,000
Decreases:				
A. Built-in:				
B. Program:				
1. Furnishings & movable equipment	---	$1,981,000	---	$-1,981,000
Total, decreases	---	---	---	-1,981,000
Total, net change	---	---	---	+ 224,000

Explanation of Changes

Increases:

A. Built-in:

1. $455,000 is required to annualize partial year salaries paid in FY75.
2. $578,000 is required to increase faculty and staff salaries in line with the sponsoring institution. This amount consists of $405,000 for increased salaries, and $173,000 for concomitant overhead and fringe benefits.
3. $68,000 is required for rate increases in contracted student services for room, board and instruction.
4. $193,000 is required for rate increases and annualization of contracted building maintenance, engineering, security and utilities services. This amount consists of $142,000 for annualization of services, $31,000 for rate increases and $20,000 for building insurance.

B. Program:

1. $450,000 is needed for room, board, fees and tuition ($98,000), and faculty ($352,000) for the additional 260 students.
2. $461,000 is needed for continual support and further implementation of the research program in placement, personal and social development, hearing and speech, learning strategies, and curriculum development and evaluation.

Decreases:

B. Program:

1. $1,981,000 is decreased because the cost of furnishings and movable equipment which this figure represents is non-recurring.

Obligations by Activity
(Dollars in Thousands)

Appropriations/Activity	1975 Estimate Pos.	1975 Estimate Amount	1976 Estimate Pos.	1976 Estimate Amount	Change Pos.	Change Amount
1. OPERATIONS:						
a) Technical Education	150	$ 4,311	171	$ 5,671	+21	+$ 1,360
b) Personal and Social Development	25	923	28	1,263	+ 3	+ 340
c) Communication Skill Development	49	1,578	53	1,890	+ 4	+ 312
d) Administration	25	1,166	26	1,109	+ 1	- 57
e) Physical Plant	---	797	---	1,047	---	+ 250
2. CONSTRUCTION:						
a) Furnishing and Movable Equipment	---	1,981	---	---	---	- 1,981
Total	249	10,756	278	10,980	+29	+ 224,000

Obligations by Object

	1975 Estimate	1976 Estimate	Change
Grants, subsidies, and contributions..................	$10,756,000	$10,980,000	+$ 224,000
Total obligations by object......................	10,756,000	10,980,000	+ 224,000

Authorizing Legislation

Legislation	1976 Authorized	1976 Appropriation Requested
National Technical Institute for the Deaf Act	Indefinite	$ 9,836,000

(20 U.S.C. 681) Enacted June 8, 1965,
P.L. 89-36, Sec. 2, 79 Stat. 125.

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	$ 420,000	$ 420,000	$ 420,000	$ 420,000
1967	491,000	491,000	491,000	491,000
1968	2,615,000	2,615,000	2,615,000	2,615,000
1969	800,000	800,000	800,000	800,000
1970	2,851,000	2,851,000	2,851,000	2,851,000
1971	25,444,000	25,444,000	25,444,000	25,444,000
1972	7,619,000	7,619,000	7,619,000	7,619,000
1973	6,569,000	6,569,000	6,569,000	6,569,000
1974	6,487,000	6,487,000	6,487,000	6,487,000
1975	9,819,000	9,819,000	9,819,[illegible]	9,819,000
1976	9,836,000			

Justification

	1975 Estimate		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits..........	249	$ 4,672,000	278	$ 5,818,000	+29	$1,146,000
Other expenses.........	---	6,084,000	---	5,162,000	---	922,000
	249	10,756,000	278	10,980,000	+29	224,000

GENERAL STATEMENT

As a result of research that showed clearly that the history of employment of deaf people in the United States was characterized by unemployment, underemployment and job frustration, Public Law 89-36 was passed in 1965, establishing the National Technical Institute for the Deaf (NTID). This Act called for the establishment and operation of a coeducational residential facility for postsecondary technical training and education for persons who are deaf. Since 1968, when NTID's pilot group of students began their studies, students from 50 states and territories have attended NTID. By FY75, the total number of deaf students served will exceed 1,000.

NTID's mission encompasses three fundamental charges: 1) to provide technical education and training for deaf citizens to prepare them for successful employment; 2) to prepare professional manpower to serve the nation's deaf population; and 3) to conduct applied research into the social, educational and economic accommodations of deaf people, including evaluation of teaching techniques as these relate to the educational goals of deaf students wherever taught. NTID continues to determine and define the needs of the deaf population that relate to this mission.

FY76 is the second year of the fourth stage in NTID's development. This stage began in FY75, and will end with FY78. During this period, NTID projects its advancement to target enrollment of deaf students. A facility shakedown will continue during this period. The heating, ventilating, air-conditioning, plumbing and electrical systems and all the physical facilities will continue checkout and review. Training of new staff and enhancing skills of incumbent staff will be a major activity.

NTID will implement strategies designed to fulfill its mission through five subactivities: 1) Technical Education, 2) Personal and Social Development, 3) Communication Skills Development, 4) Administration, and 5) Physical Plant Operations. An overview of each area is presented.

Operations

	1975 Estimate		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits..........	249	$ 4,672,000	278	$ 5,818,000	+29	+$1,146,000
Other expenses.........	---	6,084,000	---	5,162,000	---	+ 1,059,000
TOTAL.............	249	$ 8,775,000	278	$10,980,000	+29	+$2,205,000

NARRATIVE

The 1976 budget request for NTID's operations represents an increase of $2,205,000 and 29 new positions over the 1975 appropriation. A distribution of these funds and positions is illustrated below.

1. Technical Education	150	$ 4,311,000	171	$ 5,671,000	+21	+$1,360,000
2. Personal and Social Development.........	25	923,000	28	1,263,000	+ 3	+ 340,000
3. Communication Skills Development.........	49	1,578,000	53	1,890,000	+ 4	+ 312,000
4. Administration......	25	1,166,000	26	1,109,000	+ 1	- 57,000
5. Physical Plant......	---	797,000	---	1,047,000	---	+ 250,000
TOTAL.............	249	$ 8,775,000	278	$10,980,000	+29	+$2,205,000

Technical Education--

The total increase for this activity consists of $1,360,000: $640,000 is for annualization of partial year salaries--salary increases as required by the sponsoring institution--and associated fringe benefits and overhead; $26,000 is for increased rate for constructed instructional services; $279,000 is for technical training and placement of the 260 additional students and for development of additional programs; and $231,000 is for applied research. The remaining $184,000 is a statistical transfer charge necessary to assign the costs of centralized work processing and materials reproduction to programmed areas.

The technical education programs at NTID are designed to provide postsecondary deaf students with opportunities to prepare for and pursue successful careers as technicians, paraprofessionals, and professionals in science, technology, and applied art, thereby making it possible for them to become independent members of society. At least 75% of deaf students take most of their career-related courses in this area, while the remaining 25% take most of their courses in other colleges at RIT.

Table 1. Percentages of deaf students enrolled in technical programs.

Career Area	Percent of Students
Business Technologies	23%
Engineering Technologies	30%
Technical Science	16%
Visual Communications Technologies	26%
Social Sciences	5%
TOTAL:	100%

Table 2. Total number of cooperative work placements forecast for deaf students during FY76.

Career Area	Number of Students
Technical Science	28
Business Technologies	56
Engineering Technologies	70
TOTAL:	154

Table 3. Forecast of students graduating during FY76.

Career Area	Number of Students
Visual Communications	48
Technical Science	21
Engineering Technologies	66
Business Technologies	54
Social Sciences	8
TOTAL:	197

Personal and Social Development--

The total increase for this activity consists of $340,000: $104,000 is for annualization of partial year salaries--salary increases as required by the sponsoring institutions and associated fringe benefits and overhead; $42,000 is for increased room and board rates; $76,000 is to accommodate the increased number of students' personal and social development activities; and $38,000 is for expanding applied research efforts. The remaining $80,000 is a statistical transfer charge necessary to assign costs over centralized work processing and materials reproduction to programmed areas.

Experience has shown that deaf students at NTID require substantial personal and social development through credited courses in Developmental Education. Data are presently insufficient to fully substantiate what the precise needs are, and the specification of an appropriate personal/social profile with corresponding measurable parameters is a high program priority in FY 1976. NTID's Dev. Edu. in concert with the other divisions of NTID, will gather data on a personal/social profile of NTID students, leading to a determination of clusters of objectives needed for deaf students. Until an appropriate personal/social profile is established, Developmental Education courses will be offered on the basis of past experience. Other general education courses for credit will be offered to enhance the personal/social development of students. In particular, courses offered through the Experimental Educational Theater will provide theater arts courses to 15% of the NTID students per quarter for an average of two credit hours per student.

Communication Skills--

The total increase for this activity consists of $312,000: the majority of this amount--$196,000--is for annualization of partial year salaries--salary increases as required by the sponsoring institutions--and associated fringe benefits and over head; $38,000 is to accommodate the increased number of students in hearing and speech programs; and $78,000 is for expanding applied research.

Communications Profile data demonstrate the needs NTID students have in communication skill development. The needs for FY76 are projected on the basis of history of use of the Communication Profile and the apparent needs associated with each dimension of the Profile.

Each Fiscal year, 75% of the students (360) require credited courses in remedial and technical English from the NTID English Learning Center; 80% of the students (144) require courses in aurual rehabilitation including Speechreading, Auditory Training, Orientation to Hearing Aids and Communications Aids; 95% of the NTID students (240) require instruction in oral skill development including credited courses in Speech Production, Public Speaking and other oral skills; 35% of the deaf students (24) require instruction in Manual Communications skills.

Experience has demonstrated that the communication barriers to understanding or being understood in classrooms and other activities in an environment predominantly of hearing persons would prevent approximately 95% of deaf students from fully learning or participating in these activities without special assistance from skilled interpreters. Upon student request, skilled interpreters will be provided in all academic and co-curricular environments at NTID.

Administration--

NTID's administrative activities are organized to plan, implement, and evaluate the total picture of operations and resources required to achieve the mission and goal of NTID as designed in P.L. 89-36, and the NTID Guidelines and to meet the annual objectives set for NTID. A net decrease of $57,000 in this area is a result of charging back the costs of cnetralized work processing, administrative services, and materials reproduction to internal user departments (minus $264,000); $93,000 is for annualization of partial year's salaries--salary increases required by the sponsoring institution --and associated fringe benefits and overhead; and $114,000 is for expanded institutional and managerial research into the areas of planning, budgeting, and institutional reform.

Physical Plant--

The total increase of $250,000 associated with a full 12-month operation consists of: $142,000 for annualization of services; $31,000 for utility rate increases; $20,000 for insurance on the $27.3 million complex; and $57,000 for increased student and institution support service level.

NTID's newly constructed facilities became available for the first time during the last quarter of FY74. The general responsibilities of caring for these facilities include activities of maintaining the integrity and safety of the academic building, the residence hall and the dining hall and their dedicated grounds and preserving their investment values. A major aspect of these activities during FY76 will be the culmination of shakedown tests of all facilities and their modifications as appropriate to support program needs. Other activities will be concerned with maintaining the reliability of operation for all utility and environmental control systems for these facilities; providing custodial, maintenance and repair services as required for the facilities; specifying and constructing alterations, improvements and additions to the facilities and related equipment as may be required to satisfy changing space needs; landscaping of the grounds; preparation of the facilities for special events; maintaining operations for receiving, shipping and warehousing of materials; and maintaining a stock of general office supplies.

Program Purpose and Accomplishments

Activity: Operations (National Technical Institute for the Deaf; Public Law 89-36)

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
249	$7,838,000	Indefinite	278	$9,836,000

Purpose: The National Technical Institute for the Deaf (NTID) began with the passage of Public Law 89-36 in 1965. The Institute is supported by Federal appropriation and student fees. NTID was established and begun at the Rochester Institute of Technology (RIT) in 1966 to serve three fundamental purposes: 1) to prepare deaf citizens for direct technical employment and for full participation in community living; 2) to train professional personnel to serve the deaf nationally; and 3) to influence education, training and career placement of deaf citizens through applied research.

These purposes resulted from research on the history of employment of deaf people that clearly showed the deaf population of the United States to be characterized by unemployment, underemployment and job frustration.

Explanation: NTID was planned to be an important agent to solve the employment problems of the deaf, through: providing a defined number of young deaf people with technical, personal-social, and communication skills required for their serving as productive rather than dependent citizens; training professional manpower needed to provide these skills to an even larger number of deaf people of all ages; gathering vital data about satisfying educational, social and economic needs of deaf people; planning, carrying out and evaluating the total pictures of activities and managing the resources required to achieve the three purposes, managing and operating the facilities required for carrying out programs; and, through providing these services for young deaf people, to be an example of how the needs of the deaf and other groups of people deprived for a long time can be served by an institution of higher learning that before had not been directly involved with these groups.

Accomplishments in 1975: Career development opportunities and instruction were provided for 600 students leading toward technical and general education skills preparing them for jobs, or working with the deaf.

All support services required for deaf students to successfully pursue their education at NTID were provided.

The special program services required to support instruction were provided.

Active applied research in all phases of NTID's operations was carried on. Specific projects were directed toward improving the teaching of deaf persons, providing for their enhanced learning, enhancing their economic accommodation in society, improving their communication skills, and raising their level of socialization.

In-service training and community training services were provided for new NTID staff, for professionals working with the deaf and to members of the general public interested in the welfare of deaf people. A full-time equivalent of 100 professional training students were served.

Concurrent with moving into the new facilities, the level of sophistication of programs and strategies began to provide for broad scale information dissemination; statistical information on career readiness, mobility, communication needs and other problems, and other information directly relating to program evaluation and modification of curricula was substantially increased.

The programs, centralized services, and physical facilities, and the executive direction for NTID were all directed toward meeting the basic needs of the deaf population for which NTID was intended. The highly successful move to the new facilities, initiation of facilities shakedown, and operations in a new environment achieved one of NTID's prime objectives.

Objectives for 1976:

1. Planned Growth of Student Body

The enrollment of deaf students in FY76 is planned at 730 (600 in FY75); these students will be provided with technical education courses on a year-round basis. To support an increased enrollment and reflect current national employment and student needs, several new curricula will be introduced in FY76 including Small Web Press Operation, Microfilm Technology and Criminal Justice. Several other curricula will be developed and evaluated.

Experience has shown that deaf students require substantial personal and social development through formal course work. Developmental Education courses will be provided for all deaf students. Courses offered through NTID's Experimental Educational Theater will also provide general education to enhance the personal/social development of students for purposes of improving job opportunities.

Deaf students will continue to exhibit a need for experiences with the social and cultural activities of their community, enhanced personal problem-solving skills, leadership skills, and increased information on current events. Accordingly, NTID will enlarge its social/cultural programs to accommodate the increased student body.

Experience has shown that all students entering NTID in FY76 will need academic assistance in selecting majors during their first year. At least 25% of all NTID students will need individual counseling at an average rate of four hours per student, per quarter.

Communication Profile data demonstrate that deaf students at NTID will require communication skills development in remedial and technical English; aural rehabilitation including speechreading, communication aids and auditory training; oral skill development including speech production; and other skills specific to individual students' needs for education and employment.

In FY76, 230 full-time equivalent students (100 in FY75) will receive professional training for working with deaf persons and for working within the NTID environment.

2. Applied Research

NTID's research activities will be heightened during FY76 as a result of what is being learned about the operation of programs in the new facilities and what has been learned from students' progress and subsequent job success. In FY76, research in personal and social development will increase to study means of raising students' levels of development in this area, to study the effect of living arrangements at NTID on the development of students, and to consider ways of enhancing mobility of deaf workers. Concerns of research in communication skill development include ways of using electronic devices to give visual feedback of speech to deaf individuals, ways of improving techniques of helping hearing-handicapped individuals make optimal use of their residual hearing, ways of improving speech production, and ways of evaluating current techniques of therapy. Cognitive processing research will study the use of computer-assisted instruction to enhance learning rates of deaf students and ways to individualize English language instruction to language-handicapped individuals. Curriculum development and evaluation research will study the use of modular instruction to teach technical skills to deaf students.

Amounts Available for Obligations

	1976 Interim Period
Appropriation	$2,932,000
Receipts and reimbursements from non-Federal sources	338,000
Total obligations	3,270,000

Obligations by Activity

	1976 Interim Period	
	Pos.	Amount
Operations:		
(a) Technical education	14	$1,635,000
(b) Personal and social development	2	425,000
(c) Communications skill development	4	687,000
(d) Administration	---	271,000
(e) Physical plant	---	252,000
Total obligations	20	3,270,000

Obligations by Object

Grants, subsidies and contributions	$3,270,000

Narrative

Estimates for the three-month interim period--$2,459,000--are based on one-fourth of NTID's 1976 budget estimate, plus an additional $473,000 for twenty new faculty ($101,000); special summer training programs ($113,000); faculty and staff merit ($152,000); annualization of FY76 partial year salary ($76,000) and contracted services ($31,000).

The purpose of this request is to permit NTID to augment its academic program activities during the interim period to take care of built-in cost increases and program expansion related to anticipated enrollment increases.

Justification

Appropriation Estimate

GALLAUDET COLLEGE

For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet College authorized by the Act of June 18, 1954, [$27,543,000] *$22,435,000*, of which [$10,465,000] *$2,255,000* shall be for construction and shall remain available until expended: *Provided*, That if requested by the college, such construction shall be supervised by the General Services Administration.

For "Gallaudet College" for the period July 1, 1976, through September 30, 1976, $5,606,000.

Amounts Available for Obligations

	1975 Revised	1976
Appropriation........................	$ 27,543,000	$ 22,435,000
Proposed supplemental appropriation...	8,052,000	---
Subtotal, appropriations...........	35,595,000	22,435,000
Receipts and reimbursements from Non-Federal sources.................	1,678,000	1,830,000
Unobligated balance, start of year....	2,217,000	1,267,000
Unobligated balance, end of year......	-1,267,000	---
Total, obligations............	38,223,000	25,532,000

Summary of Changes

1975 Estimated obligations.....................................	$ 38,223,000
1976 Estimated obligations.....................................	25,532,000
Net change..	- 12,691,000

	Base		Change from Base	
	Pos.*	Amount	Pos.*	Amount
Increases:				
A. Built-in				
1. Faculty payraise (College-$437,000; Model Secondary School-$150,000; Kendall School-$104,000)..	---	---	---	$ +691,000
2. Bookstore, food service and transportation cost (College-$97,000; Model Secondary School-$16,000; Kendall School-$23,000)...	---	---	---	+136,000
3. Cost of telephone and utility services (College-$164,000; Model Secondary School-$4,000)..	---	---	---	+168,000
4. Annualization of non-faculty payraise..........			---	+144,000
Subtotal.....			---	+1,139,000

* All positions are Non-Federal

Summary of Changes (Cont.)

	Base		Change from Base	
B. Program:				
1. College - operations:				
(a) Instruction and Related Activities..............	238	$5,493,000	+ 8	$ +319,000
(b) Student Services................	62	1,387,000	+10	+166,000
(c) Research and Curriculum Development......................	16	378,000	+ 3	+113,000
(d) General Institutional and Administrative Activities......................	201	3,546,000	+27	+408,000
(e) Continuing Education............	12	347,000	+ 1	+ 31,000
(f) Auxiliary Enterprises...........	20	1,038,000	---	+ 3,000
2. Model Secondary School - operations:				
(a) Instructional Services...........	84	1,688,000	+20	+199,000
(b) Curriculum Development/ Media Services..................	32	771,000	+ 7	+ 97,000
(c) Research and Evaluation.........	12	225,000	+ 1	+ 13,000
(d) Developmental Education.........	17	325,000	+15	+135,000
(e) Central Administration..........	22	1,406,000	+ 2	+265,000
3. Kendall Demonstration Elementary School - operations:				
(a) Instructional Division..........	62	1,254,000	---	+ 60,000
(b) Student and Family Services.....	18	469,000	---	+ 47,000
(c) Instructional Design and Evaluation.......................	10	179,000	---	+ 18,000
(d) General Administration..........	8	469,000	---	+ 22,000
4. Construction:				
(a) College - Planning of Learning Center...........................	---	---	---	+450,000
(b) College - Connection of Existing Buildings to Central Cooling Plant..........................	---	---	---	+215,000
(c) College - Conversion and Construction of the Student Union Building.........................	---	---	---	+275,000
(d) College - Planning and Construction of Roads...............	---	---	---	+485,000
(e) College - Planning of the Field House.........................	---	---	---	+380,000
(f) College - Planning of a Fifth Residence Hall..............	---	---	---	+450,000
(g) College - Construction Fourth Residence Hall..................	---	---	---	+567,000
(h) Model Secondary School - Construction Residence Halls....	---	---	---	+700,000
Subtotal...........			+94	+5,418,000
Total, increases........................			+94	+6,557,000
Decreases:				
A. Built-in:				
1. Operations:				
(a) October 1972 payraise retro decrease..................	---	---	---	- 67,000
Subtotal..................			---	- 67,000
B. Program:				
1. Construction:				
(a) College - Equipment for Food and Health Service Building.........................	---	---	---	-450,000

Summary of Changes (Cont.)

	Base		Change from Base	
(b) College - Construction Fourth Residence Hall	---	---	---	$- 3,833,000
(c) Model Secondary School - Permanent Facilities	---	---	---	-13,652,000
(d) Other Construction Projects	---	---	---	- 1,246,000
Subtotal			---	-19,181,000
Total, decreases			---	-19,248,000
Total, net changes			+94	-12,691,000

Explanation of Changes

Increases:

A. Built-in:

1. Faculty salary increases - The increase of $691,000 will provide salary increases for instructional faculty, an increase of 10 percent over FY 1975.

2. Student services - $136,000 is requested for Bookstore and food services, and transportation costs.

3. An increase of $168,000 will provide for the increased cost of telephone and other utility services.

4. Annualization of the October 1, 1974 payraise for non-faculty ($144,000).

B. Program:

1. College - Operations:
   - (a) The $319,000 requested will provide for: implementation of an undergraduate/graduate teacher preparation program· increased course offerings for teachers of multi-handicapped deaf children; establishment of a pilot language laboratory; an increase in academic support; the acquisition of books and non-print materials and the establishment of a technical processing unit for the Library; modification of present classroom facilities, the instructional materials laboratory, and computer center; and increased production of captioned films.
   - (b) The $166,000 requested will provide for improved health services which are to be included in the new all-campus medical facility.
   - (c) The $113,000 will provide for: special studies in careers/vocational education, genetic deafness, and mental retardation of deaf persons; developmental work in preschool assessment, attitude measurement, and the evaluation of other handicapping conditions; and more courses offered in the language sciences.
   - (d) The $408,000 requested will provide for: operations and maintenance of new facilities; development of alternative sources of support for the College; a staff development program; and improvements in buying, security, postal and preventive maintenance services.
   - (e) The $31,000 requested will provide for the improved dissemination capability of the Center for Continuing Education and for development of teaching packages.
   - (f) The $3,000 will provide for: increased custodial service and increased student help.

2. Model Secondary School - Operations:
   - (a) The $199,000 will provide for: the development of 30 new mini-courses; complete the development of 90 courses in 15 academic areas; a complete individualized program for each student; transfer of operations, personnel and equipment to the new facility; a communications profile for use in prescribing individualized instruction, and the refinement of a 12-month instructional program.

Explanation of Changes (Continued)

Increases:

B. Program:

2. Model Secondary School - Operations:

(b) The $97,000 will provide for: the design of performance-based curricula; increased learning resource center services; an increase in television captioning; the expansion of computer programs; the increase of instructional materials collections; the expansion of media production services; and a computerized scheduling program.

(c) The $13,000 will provide for the validation of language development measures; a study of graduates; a study of the effectiveness of admissions criteria; an analysis of student achievement; evaluation of the mini-school experiment; and the evaluation of the interaction curriculum.

(d) The $135,000 will provide for: the development of 10 pre-vocational courses; a Deaf Awareness Program within the residence program; a career education program; establishment of working relationships with major service agencies; additional resident advisors; transfer to the new facility; group home placements; recruitment of new students; an instructional handbook; and an indirect program of educational, social and recreational activities.

(e) The $265,000 will provide for: operations and maintenance of the new facilities; fiscal management planning and evaluation; computer-based accounting; an organizational decision-making model; a management-by-objectives model; staff development and evaluation; and public information.

3. Kendall Demonstration Elementary School - Operations:

(a) The $60,000 requested will provide for an increase in the programs the primary and elementary divisions.

(b) The $47,000 requested will provide for: home visits by social workers; working relationships with major social, health and related agencies; basic family education services; new hearing aids and hearing aid parts; a complete data file on each child: and psychological assessment of each student.

(c) The $18,000 requested will provide for: implementation of KDES-developed programs and materials at the schools; a procedure for recording the spontaneous communication of deaf children.

(d) The $22,000 requested will provide for the implementation of management-by-objectives and for staff development.

4. Construction:

College:

(a) $450,000 is requested for the planning of the learning center.

(b) $215,000 is requested to connect existing buildings to the central cooling plant which was completed in the fall of 1975.

(c) $275,000 is requested for planning and construction associated with conversion of the Student Union Building.

(d) $485,000 is requested for planning and construction of streets, roads, and sidewalks.

(e) $380,000 is requested for the planning of a physical education field house.

(f) $450,000 is requested for the planning of a fifth residence hall necessitated by enrollment increases projected for future years.

(g) $567,000 (funds were appropriated in prior years) is requested for the completion of the fourth residence hall now under construction.

Model Secondary School for the Deaf:

(h) $700,000 (funds were appropriated in prior years) is requested for completion of residential facilities to accommodate 450 students.

Obligations by Activity

	1975 Estimate		1976 Estimate		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Operations:						
(a) College..............	549	$12,185,000	598	$13,985,000	+49	$ 1,800,000
(b) Model Secondary School for the Deaf..................	167	4,445,000	212	5,334,000	+45	+889,000
(c) Kendall Demonstration Elementary School....	98	2,412,000	98	2,691,000	—	+279,000
(d) Construction.........	—	19,181,000	—	3,522,000	—	-15,659,000
Total obligations....	814	38,223,000	908	25,532,000	+94	-12,691,000

Obligations by Object

	1975 Estimate	1976 Estimate	Increase or Decrease
Grants, Subsidies, and contributions	$38,223,000	$25,532,000	-$12,691,000
Total obligations by object	38,223,000	25,532,000	- 12,691,000

Authorizing Legislation

	1976	
Legislation	Authorized	Appropriation Requested
"An Act to amend the charter of the Columbia Institution for the Deaf." (D.C. Code 31-1032) Enacted June 18, 1954, P.L. 420, 83rd Congress, Sec. 8, 68 Stat. 266.	Indefinite	$14,410,000
"An Act to modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes." (Public Law 91-587, 91st Congress, S.4083 December 24, 1970, 84 Stat. 1579.	Indefinite	2,691,000
"An Act to authorize the establishment and operation by Gallaudet College of a Model Secondary School for the Deaf to serve the National Capital region." (31 D.C. Code 1051) Enacted October 15, 1966, P.L. 89-694, Sec. 2, 80 Stat. 1027.	Indefinite	5,334,000

Gallaudet College

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1966	2,609,000	2,609,000	2,685,000	2,685,000
1967	2,557,000	2,557,000	2,612,000	2,612,000
1968	5,815,000	5,815,000	6,001,000	5,815,000
1969	5,305,000	4,536,000	4,536,000	4,536,000
1970	6,086,000	6,086,000	6,400,000	6,400,000
1971	9,612,000	9,514,000	9,869,000	9,559,000
1972	30,246,000	29,101,000	30,862,000	30,862,000
1973	14,073,000	19,033,000	19,033,000	19,033,000
1974	15,012,000	14,942,000	15,012,000	15,012,000
1975	27,543,000	27,543,000	27,543,000	27,543,000
1975 Proposed Supplemental	8,052,000			
1976	22,435,000			

Justification

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits..........	814	$14,096,000	908	$16,304,000	+94	$+2,208,000
Other expenses	---	24,127,000	---	9,228,000	---	-14,899,000
Total	814	38,223,000	908	25,532,000	+94	-12,691,000

General Statement

Gallaudet College is a private non-profit educational institution providing an undergraduate higher education for the deaf, a preparatory program for deaf students who need such training to qualify for college admission, a graduate school program in fields related to deafness, a continuing education program for deaf adults. The 1976 budget estimate will provide for major improvement of management services in the areas of program planning, budgeting and evaluation, upgrading of the preventive maintenance program for the physical plant, and operating expenditures for the new food and health service facility. It will also provide for necessary faculty pay increases, increased food and transportation expenses, contracted service costs, utility costs, student financial aid, expansion of the graduate program and improved residence hall services.

As provided under Public Law 89-694, the Model Secondary School for the Deaf: a) serves as a laboratory for educational experimentation and development; b) disseminates working models throughout the field of education of the deaf to programs serving more than 60,000 deaf students and 10,000 educational professionals; c) prepares deaf adolescents for post-secondary academic and/or vocational pursuits; and d) provides deaf adolescents with the skills necessary to become well-adjusted, contributing, and effective members of the society. For 1976, the objectives for the Model Secondary School for the Deaf include: the completion of a minimum of 90 academic courses in preparation for the increased enrollment expected as a result of the opening of the new facility in 1976; continued development, evaluation and implementation of curricular materials and models; the development and implementation of several improved management systems; and the inclusion of a deaf awareness program within the residence program.

By an act of Congress, Public Law 91-587, the College has the authority to operate Kendall School as a national demonstration elementary school for the deaf. The school will: 1) develop an exemplary educational program for children from the age of onset of deafness through the age of fifteen; 2) develop a diagnostic center; 3) develop a parent education program; and 4) become a source of important research on learning problems of young deaf children. The 1976 operation estimates will provide for the maintenance of faculty salaries; the development of a complete medical data file on each child; complete psychological assessment of each child; the expansion of home visits by social workers; and the completion and implementation of a management-by-objectives model.

The construction funds requested for the College will provide for the planning of the learning center; the connection of eight buildings to the central cooling plant; planning and construction associated with removal of food service facilities from the Student Union Building; planning and construction of streets, roads and sidewalks called for in the new facilities master plan; planning of the field house; and planning of the fifth residence hall.

Operations

College

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits............	549	$ 9,420,000	598	$10,850,000	+49	$+1,430,000
Other expenses............	—	2,765,000	—	3,135,000	—	+370,000
Total...............	549	12,185,000	598	13,985,000	+49	+1,800,000

Narrative

The 1976 budget estimate for College operations represents an increase of $1,800,000 and 49 new positions over the 1975 appropriation. A distribution of these funds and positions is illustrated below.

Instruction and Related Activities	238	$5,439,000	246	$6,194,000	+ 8	$+755,000
Student Services.........	62	1,387,000	72	1,586,000	+10	+199,000
Research and Curriculum Development............	16	378,000	19	497,000	+ 3	+119,000
General Institutional and Administrative Activities............	201	3,546,000	228	4,134,000	+27	+588,000
Continuing Education.....	12	347,000	13	386,000	+ 1	+39,000
Auxiliary Enterprises....	20	1,088,000	20	1,188,000	---	+100,000
Total................	549	12,185,000	598	13,985,000	+49	+1,800,000

1. Instruction and Related Activities: $755,000 ($411,000 faculty payraise; $86,000 new positions; $258,000 other expenses) Funds are requested in support of a 10 percent faculty pay increase in order to allow the College to remain competitive and to maintain the current American Association of University Professors (AAUP) ranking held by the College. This increase will enable the College to continue to attract new and replacement faculty with the earned doctorate. Support is also requested for implementation of an undergraduate/graduate teacher preparation program to facilitate the entrance of deaf persons into teaching careers; increased course offerings for teachers of multi-handicapped deaf children; extension of 12-month contracts to faculty in the English Department to establish a pilot language laboratory; an increase in academic support for 22 instructional departments; the acquisition of books and non-print

materials which will enable the Edward Miner Gallaudet Memorial Library to meet professional library accreditation standards; establishment of a technical processing unit within the library which will order, catalog and process learning resources in all forms for all units on the campus; modification of present classroom facilities to meet the special visual and amplification needs of deaf students; modification of the instructional materials laboratory and computer center; and expansion of the capability for production of captioned films.

2. Student Services: $199,000 ($12,000 faculty payraise; $111,000 new positions; $76,000 other expenses) Funds are requested in support of improvement of campus health services to include increased staffing needed to comply with the recommendations of the American College Health Association for an institution of Gallaudet's size. Also included are expanded medical specialist consultation and the implementation of a limited medical laboratory on campus. Support is also requested for improved counseling and placement services, and for improved campus food service.

3. Research and Curriculum Development: $119,000 ($38,000 new positions; $81,000 other expenses) Support is requested for special studies in the areas of careers/vocational education, genetic deafness, and mental retardation of deaf persons; for developmental work in the areas of preschool assessment, attitude measurement, and the evaluation of data reported on other handicapping conditions; and for expansion of the number of courses offered in the language sciences.

4. General Institutional and Administrative Activities: $588,000 ($8,000 faculty payraise; $174,000 new positions; $406,000 other expenses.) Support is requested for operations and maintenance of new college facilities; increased efforts in the development of alternative sources of support for the programs of Gallaudet College; implementation of a staff development program; and some improvements in buying, security, postal and preventive maintenance service. Funds are also needed to assure that gas, electricity, and fuel oil are adequate to supply the College's needs.

5. Continuing Education: $39,000 ($6,000 faculty payraise; $11,000 new positions; $22,000 other expenses) Conferences will be sponsored at which representatives of schools for the deaf now conducting community education programs may exchange and pool ideas that are conducive to the growth of continuing education activities throughout the country. Workshops and short courses will be developed for counselors, audiologists and deaf persons interested in becoming accredited teachers of the deaf. Promotional materials will be developed to fill a demand for orientation and training in the area of school-community related programs. The need for special teaching packages and materials to serve the model demonstration program has been validated as a result of the study conducted in 1975. The needed materials will, therefore, be produced by the Center in 1976.

6. Auxiliary Enterprises: $100,000 ($100,000 other expenses) The imminent expansion of the MSSD, the KDES, and the College has created a predictable increased need for expansion of auxiliary services in 1976. In line with the role of Gallaudet College as a multipurpose institution serving the needs of the deaf in providing preschool, elementary, secondary and higher education, the function of the bookstore as a supplier of materials on deafness to professionals and the public as well as to the Gallaudet community will be greatly expanded. Funding is requested also for repairs and renovations to residence halls.

Operations

Model Secondary School for the Deaf

	1975 Pos.	1975 Amount	1976 Pos.	1976 Amount	Increase or Decrease Pos.	Increase or Decrease Amount
Personnel compensation and benefits	167	$2,883,000	212	$3,475,000	+45	$+592,000
Other expenses	---	1,562,000	---	1,859,000	---	+297,000
Total	167	4,445,000	212	5,334,000	+45	+889,000

Narrative

The 1976 budget estimate for MSSD represents an increase of $889,000 and 45 new positions over the 1975 appropriation. A distribution of these funds and positions is illustrated below:

Instructional Services	84	$1,688,000	104	$1,963,000	+20	$+275,000
Curriculum Development/ Media Services	32	771,000	39	896,000	+ 7	+125,000
Research and Evaluation	12	225,000	13	249,000	+ 1	+ 24,000
Developmental Education	17	325,000	32	475,000	+15	+150,000
Central Administration	22	1,436,000	24	1,751,000	+ 2	+315,000
Total	167	4,445,000	212	5,334,000	+45	+889,000

1. Instructional Services: $275,000 ($76,000 faculty payraise; $181,000 new positions; $18,000 other expenses) Funds are requested in support of the development of 30 new mini-courses to increase the range, comprehensiveness and options within the instructional program; complete the development of 90 courses in 15 academic areas in response to the increase in enrollment of 75 students; continued development of a complete individualized program for each student; and support of other functions including the transfer of operations, personnel and equipment to the new facility; the development of a communications profile for use in prescribing individualized instruction, and the refinement of a 12-month instructional program.

2. Curriculum Development/Media Services: $125,000 ($28,000 faculty payraise; $73,000 new positions; $24,000 other expenses) Funds are requested in support of the design of performance-based curricula; the establishment of cooperative programs in the learning resource center services; an increase in television captioning; the expansion of computer software programs for instructional and non-instructional uses: the increase of instructional materials collections; the expansion of media production services; and the development of a computerized scheduling program.

3. Research and Evaluation: $24,000 ($11,000 faculty payraise; $13,000 new positions) Funds are requested in support of the validation of language development measures; a follow-up of a study of graduates; a study of the effectiveness of admissions criteria in predicting academic success; an analysis of individual student achievement; and other activities including the evaluation of the mini-school experiment, the analysis of individual student achievement, and the evaluation of the interaction curriculum.

4. Developmental Education: $150,000 ($15,000 faculty payraise; $129,000 new positions; $6,000 other expenses) Funds are requested in support of the development of 10 pre-vocational courses for use in the shop areas of the new facility; integration of the Deaf Awareness Program within the residence program; implementation of a career education program; establishment of working relationships with major medical, social, and other community service agencies; acquisition of additional resident advisors necessitated by increased enrollment; and support for other activities incident to increased enrollment such as transfer to the new facility, provision for group home placements, recruitment of new students, preparation of a handbook for individualized instruction, and the establishment of an indirect program of educational, social and recreational activities.

5. Central Administration: $315,000 ($20,000 faculty payraise; $29,000 new positions; $266,000 other expenses) Funds are requested in support of a comprehensive operations and maintenance program for the newly constructed MSSD facilities; the implementation of fiscal management planning and evaluation systems; the refinement of computer-based accounting systems; the completion and implementation of an organizational decision-making model; the refinement of a management-by-objectives model as part of the decision-making model; and the expansion of general administrative activities necessitated by increased enrollment, such as staff evaluation, staff development and public information.

Operations

Kendall Demonstration Elementary School

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits	98	$1,793,000	98	$1,979,000	---	$+186,000
Other expenses..............	--	619,000	—	712,000	---	+93,000
Total..................	98	2,412,000	98	2,691,000	---	+279,000

Narrative:

The 1976 budget estimate for Kendall represents an increase of $279,000 over the 1975 appropriation. A distribution of these funds is illustrated below:

Instructional Division......	62	$1,254,000	62	$1,381,000	---	$+127,000
Student and Family Services.................	18	469,000	18	558,000	---	+89,000
Instructional Design and Evaluation..............	10	179,000	10	207,000	---	+28,000
General Administration......	8	510,000	8	545,000	---	+35,000
Total..................	98	2,412,000	98	2,691,000	---	+279,000

1. Instructional Division: $127,000 ($67,000 faculty payraise; $60,000 other expenses) In 1976, enrollment in the primary and elementary programs will be increased by at least 20 percent. A student aid account will be established to allow students to benefit from various educational experiences outside the school.

2. Student and Family Services: $89,000 ($19,000 faculty payraise; $70,000 other expenses) In 1976, Student and Family Services will establish working relationships with all major agencies in the National Capital region. A complete medical file on each child will be developed and at least 50 percent of the students will undergo complete medical examinations leading to corrective therapy as required. A psychological assessment of each student will be completed. Home visits by social workers and basic family education services will be expanded to enable families to better cope with their deaf child. Hearing aids and parts will be provided for needy students. Student counseling services will also be expanded.

3. Instructional Design and Evaluation: $28,000 ($10,000 faculty payraise; $18,000 other expenses) In 1976, a study of the effectiveness of open-space instruction will be conducted to determine the feasibility of this instructional concept. A program of staff evaluation will be fully implemented to improve staff efficiency, and a model for faculty evaluation will be developed and implemented. Staff training and parent education programs will be evaluated. Dissemination visits to other schools and programs will be conducted as part of the activity of a "demonstration" school.

4. General Administration: $35,000 ($8,000 faculty payraise; $27,000 other expenses) In 1976, the Division of Administration will complete and implement a management-by-objectives model. Support is also requested for tuition and travel for the training of administrators. The Kendall administration will also implement design-making models and will participate in the campus-wide program of assistance to faculty and staff wishing to continue their education.

Construction

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Other expenses..............	---	$18,231,000	---	$ 2,255,000	---	$-15,976,000
Total..................	---	18,231,000	---	2,255,000	---	-15,976,000

Narrative:

The 1976 budget request for construction is $2,255,000--distribution is as follows:

(a)	Planning of the learning center.	$ 450,000

This facility will be the hub of the learning process for the College. It will be designed to expand the degree and quality of use of technological aids to education, the accessibility of innovative instructional and learning materials, and the capability for productive dissemination of methods and results. The learning center will complement and extend MSSD and KDES capabilities through shared resources and services wherever possible. It will further the transition to methods, materials and equipment for the instructional process at Gallaudet College in keeping with the expanding state of the art.

(b)	Connection of existing buildings to the central cooling plant.	$ 215,000

Funds are requested for the connection of eight buildings (Hughes Auditorium, Gallaudet Library, Student Union Building, Mary Thornberry Building, Washburn Arts Building, Clerc Hall, Krug Hall, and Cogswell Hall) to the central cooling plant. The completion of the central cooling plant in the fall of 1975 should be followed immediately by a conversion to the central system in all buildings which now have individually centralized air-conditioning equipment. This requires installation of exchange and control equipment and connection to the cooling lines of the new system. In those of the seven buildings in which the present equipment appears to have appreciable remaining usable life, arrangements will be made to retain it for standby use.

(c) Planning and construction associated with removal of food service facilities from the Student Union Building, and conversion of this building for effective use in accord with the new Physical Plant Master Plan. $ 275,000

(c) The Student Union Building is the center of activity for the campus community. As space becomes available in the building due to the transfer of the food service to a new structure, it is essential that the College provide for the effective utilization of this space and make changes in the remainder of the building needed for most effective overall use. This is particularly significant because the College is moving toward a broader student union concept which will bring about greater interaction among all elements of the campus community. Plans for the building will be flexible enough to allow for both large and small group activity planning and programming. Care will be taken to insure that there is provision for flexible space useful for both existing and future programs of the Student Union. The remodeled building will include areas for study, social functions, recreation, creative art activities, conferences, bookstore, student banking service, post office, office space for the student body government, and work space for student publications.

(d) Streets and roads, planning and construction $ 485,000

Funds are requested for the construction and rebuilding of streets, roads, and sidewalks to facilitate adequate circulation within the campus, as specified in the Master Plan. These funds will also provide for elimination of architectural barriers for the handicapped in existing buildings not scheduled for major renovation and modification.

(e) Planning of the field house. $ 380,000

Because deaf students have limited use of the recreational activities available to hearing persons (movies, television, radio, music), they make correspondingly greater use of sports, physical culture, and other physically-oriented forms of recreation. Gallaudet College needs to furnish approximately twice the usual per-student space in physical education and recreation facilities. The College is now squeezing its activities into a physical education facility designed for 750 students in a hearing college. The facility for which funds are requested will expand the capacity enrollment to 1,500 undergraduate and 300 graduate students as provided in the Master Plan. It will also function as an auditorium for activities for which the Hughes Theater (capacity 750) is inadequate.

(f) Planning of a fifth residence hall. $ 450,000

An enrollment increase of 225 deaf students beginning in 1976 will necessitate this residence hall by 1979. Construction funds will be required in 1977 to accomplish this objective.

Table I

Total Enrollment for Fall Semester

Persons Served

Fiscal Year 1974, 1975, and 1976

	1974 Actual	1975 Estimate	1976 Estimate
College:			
Undergraduate [1]	981	985	1,002
Graduate [2]	192	205	220
Continuing Education [3]	1,258	1,288	1,320
Sign Language Program [3]	1,010	1,081	1,156
Total	3,441	3,559	3,698
Model Secondary School	119	125	200
Kendall Demonstration Elementary School [4]	163	175	200
Total	3,723	3,859	4,098

1. Full-time equivalent, computed as number of full-time students plus 1/3 of part-time students.

2. Total enrollments, fall semester, including special and part-time. Full-time equivalent would be about 75% of these figures.

3. Total course enrollments, counting each person once for each course in which he or she enrolls.

4. Including preschool.

Table II
Analysis of Financing

	1974 Actual	1975 Actual	1976 Estimate
Non-Federal Income:			
1. Tuition	$ 517,000	$ 517,000	$ 527,000
2. Other Services	30,000	30,000	30,000
3. Auxiliary Enterprises	1,067,000	1,131,000	1,273,000
Total Non-Federal	1,614,000	1,678,000	1,830,000
Federal Appropriations:			
College	9,027,000	10,507,000	12,155,000
Model Secondary School	4,025,000	4,445,000	5,334,000
Kendall Elementary School	2,010,000	2,412,000	2,691,000
Construction	--	18,231,000	2,255,000
Total Appropriations	15,062,000	35,595,000	22,435,000
Total Financing	16,676,000	37,273,000	24,265,000

Program Purpose and Accomplishments

Activity: Operations - College

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
549	$10,507,000	Indefinite	598	$12,155,000

Purpose: As stated in the Gallaudet College Master Plan Summary dated July 1, 1973, "The mission of Gallaudet College is to serve deaf persons through the provision of appropriately designed educational opportunities; through the training of teachers and other professionals; and through its strategic position as the capstone of educational opportunity for the deaf, to provide a maximum of leadership, inspiration, and exemplary service to institutions, organizations, and individuals serving the deaf."

Accomplishments 1974-1975: In 1974 and 1975, all components of the College continued to refine and implement many of the objectives stated in the Program Master Plan developed in 1973. A campus-wide research plan was formulated and refined. In 1975, a new physical plant master plan based upon the Program Master Plan was completed. This will enable the College to provide the most effective use of its land area and physical resources. The College's Affirmative Action Plan was implemented as another step in providing upward mobility for Gallaudet employees. Significantly improved services in the areas of counseling, placement and health services were made available and utilized by the student body. The Center for Continuing Education experienced significant growth, achieving an enrollment goal of 20 percent of the estimated 3,000 deaf adults in the Washington metropolitan area.

Objectives 1976: In 1976, the College will expand and improve its contribution to deaf education in the areas of student development, professional development, research, public service and stewardship. Of primary importance in 1976 is the area of student development, where a concerted attack will be made on the language deficiency problem.

Other activities in 1976 include enlarging the pool and raising the level of competence of persons working with and for the deaf; a sharper focus on research reflecting a climate of concern for all deaf individuals; a coordinated program of service on a local, national, and international basis to those publics where needs are acute in the areas of deafness and the education of the deaf; and the provision of management structures intentionally designed to mobilize and direct effectively the resources available to the College.

Program Purpose and Accomplishments

Activity: Operations - Model Secondary School for the Deaf

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
167	$4,445,000	Indefinite	212	$5,334,000

Program: In accordance with Public Law 89-694, an agreement between the Department of Health, Education, and Welfare and Gallaudet College was signed on May 16, 1969, authorizing the establishment, construction, equipping, and operation of a Model Secondary School for the Deaf (MSSD) to be located on the campus of Gallaudet College.

Purpose: The legislative mandate reflected within the public law assigns the MSSD the interrelated goals of: (a) serving as a laboratory for educational experimentation and change by developing and validating innovative management and instructional models designed to prepare deaf adolescents for post-secondary and/or vocational pursuits and to provide deaf adolescents with the skills necessary to become effective members of the society; and (b) disseminating working models throughout the field of education of the deaf in order to have an impact upon the education of the more than 60,000 deaf students in schools and programs, their parents and the 10,000 professional persons in education of the deaf and related disciplines.

Accomplishments 1974-1975: In 1974 and 1975, the MSSD devoted most of its resources to the development and testing of curricular materials, staff development and evaluation programs, and special diagnostic and career development materials in preparation for major program expansion when the new facility is occupied in 1976.

Objectives 1976: In 1976, the MSSD will implement earlier developed programs and procedures in the new academic complex. Transfer of operations, personnel and equipment to the new facility will be a major undertaking. New courses will be developed and tested, and instructional media services will be expanded in anticipation of increasing enrollments. Residence programs and an indirect program of educational, social and recreational activities will be implemented for the enlarged student body.

Of major importance to the MSSD in 1976 is the smooth transition from the present temporary facilities to the new facility, the recruitment of competent additional faculty and the implementation of programs to enhance the educational experience of deaf persons at the secondary level.

Program Purpose and Accomplishments

Activity: Operations - Kendall Demonstration Elementary School

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
98	$2,412,000	Indefinite	98	$2,691,000

Program: The Kendall Demonstration Elementary School (KDES), under Public Law 91-587, operates as a national model elementary school for the deaf. Its instructional program involves provision of learning activities and on-site instruction for 150 children, through age 15. Other areas of instructional programming include arts and crafts, physical education, career education, learning resources center, library, media, and programmed instruction. The supportive services program involves services to students, families, and instructional personnel in the areas of social service, family education, speech therapy, audiology, student counseling, learning diagnosis and disability, pediatrics, otolaryngology, ophthalmology, and the school health clinic. The design and evaluation component includes clinical and technical design and development, and dissemination and evaluation.

Purpose: The purpose of KDES is to create a learning environment which stimulates a child's thinking, his curiosity for exploring situations, and his ability to discover solutions to problems. The students' experiences in the school environment and program are related to ever-expanding opportunities for living meaningful and productive lives. The school is further committed to provide services which are designed to support, supplement, and enhance the direct instructional experiences of the student. As a model school, KDES is also charged with the task of developing new programs and/or identifying existing programs that have yet to be tried with the deaf, and evaluate them, with the goal of disseminating the findings to other schools and programs in the education of the deaf.

Accomplishments 1974-75: In 1974-75, KDES finalized the architectural specifications for a new facility; evaluated administrative reorganization; developed a management-by-objectives approach; defined the role of all positions; placed 24 students into MSSD; assumed responsibility for the Preschool program; maintained evaluation of the open-space program; planned a career education program;

developed a program for staff development activities; provided orientation to families; initiated a foster home program; expanded audiological and otolaryngological evaluations to the Preschool population; established a dissemination system; implemented Program Evaluation Review Technique (PERT) and developed students' progress forms.

Objectives 1976: In 1976, the KDES will complete and implement a management-by-objectives (MBO) model; continue participation in American Association of School Administrators (AASA) Academy programs; establish working relationships will all major agencies in the Washington, D.C. area; develop a complete medical file on each child; complete psychological assessment on each student; expand home visits by social workers; expand the basic family education services; evaluate the staff training and parent education programs; and initiate dissemination visits to other schools and programs.

Program Purpose and Accomplishments

Activity: Construction

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
---	$18,231,000	Indefinite	---	$2,255,000

Purpose: The purpose of this activity is to provide for continuing development of facilities in accord with program plans and objectives of the College, the Model Secondary School, and Kendall Demonstration School as delineated in the Program Master Plan and in the Facilities Master Plan.

Accomplishments in 1974-75: In 1974, construction was begun on the Model Secondary School for the Deaf academic facility and the facilities to be shared by the College, the Model Secondary School for the Deaf and the Kendall Demonstration Elementary School (central heating and cooling plant, central services and maintenance, food services and health services). These buildings will be completed early in 1976. During 1975, construction of the MSSD academic facility and the shared facilities reached 80 percent completion and construction was begun on two MSSD residence halls and on a new College residence hall.

Objectives for 1976: The additional funds requested for the College will provide for the planning of the learning center; the connection of existing buildings to the central cooling plant completed in the fall of 1975; planning and construction associated with removal of food service facilities from the Student Union Building, and conversion of this building for effective use in accord with the new Physical Plant Master Plan; the planning and construction of streets and roads; the planning of the field house; and the planning of a fifth residence hall.

Gallaudet College

Amounts Available for Obligations

	1976 Interim Period
Appropriation	$5,606,000
Receipts and reimbursements from non-Federal sources	459,000
Total obligations	6,063,000

Obligations by Activity

	1976 Interim Period Pos.	 Amount
Operations:		
(a) College	5	$3,739,000
(b) Model Secondary School for the Deaf	---	1,572,000
(c) Kendall Demonstration Elementary School	7	752,000
Total obligations	12	6,063,000

Obligations by Object

Grants, subsidies and contributions	$6,063,000

Narrative

Estimates for the three-month interim period--$5,209,000--are based on one-fourth of Gallaudet College's 1976 budget estimate, plus an additional $397,000 for twelve new faculty ($55,000); faculty pay raise ($291,000); utilities ($63,000 and food and transportation ($8,000).

The purpose of this request is to permit Gallaudet to augment its academic program activities during the interim period to take care of built-in cost increases and program expansion related to anticipated fall enrollment increases.

Justification

Appropriation Estimate

HOWARD UNIVERSITY

For the partial support of Howard University [$81,700,000] *$84,158,000*, of which [$12,500,000] *$10,000,000* shall be for construction and shall remain available until expended: *Provided*, That if requested by the university, such construction shall be supervised by the General Services Administration.

For "Howard University" for the period July 1, 1976, through September 30, 1976, $18,728,000.

Amounts Available for Obligation

	1975	1976
Appropriation	$ 79,650,000	$ 84,158,000
Proposed supplemental appropriation........	2,050,000	---
Sub-total appropriations...............	81,700,000	84,158,000
Receipts and reimbursements from non-Federal sources..........................	44,887,000	47,026,000
Unobligated balance, start of year.........	18,092,000	6,323,000
Unobligated balance, end of year...........	-6,323,000	-6,659,000
Total, obligations....................	138,356,000	132,848,000

Summary of Changes

1975 Estimated obligations..................................	$138,356,000
1976 Estimated obligations..................................	132,848,000
Net Change..	-5,508,000

	1975 Base		Change from Base	
	Pos.*	Amount	Pos.*	Amount
Increases:				
A. Built-in:				
1. Annualization of non-teaching pay raise (Academic Program-$194,000; Freedmen's Hospital-$415,000)	---		---	$609,000
Subtotal..............	---	---	---	$609,000
B. Program:				
1. Academic Program:				
a. Faculty salary increases..	---	---	---	$1,800,000
b. Colleges and schools......	1,286	$27,581,000	85	2,355,000
c. University libraries......	93	2,809,000	12	450,000
d. Retirement program........	---	583,000	---	200,000
Subtotal..............	1,379	30,973,000	97	4,805,000

*All positions are non-Federal.

	1975 Base		Change from Base	
	Pos.	Amount	Pos.	Amount
2. Freedmen's Hospital				
a. Increase in reimbursements from non-Federal sources - pay patients receipts...	---	$11,017,000	---	$ 2,139,000
3. Construction:				
a. Dunbarton College Campus..	---	---	---	4,000,000
b. Power plant facilities....	---	---	---	1,000,000
c. Campus renovations........	---	---	---	1,000,000
d. Sherman Avenue Bus. School	---	---	---	1,000,000
e. Freedmen's Hospital.......	---	---	---	3,000,000
Subtotal.............	---	---	---	10,000,000
Total, increases.....	1,379	41,990,000	97	17,553,000
Decreases:				
A. Built-in:				
1. October 1 - December 31, 1972	---	---	---	-456,000
B. Program:				
1. Construction-non-recurring projects..................	---	---	---	-22,605,000
Total, decreases........	---	---	---	-23,061,000
Total, net change................	---	---	---	-5,508,000

Explanation of Changes

Increases:

A. Built-in:

1. Annualization of non-teaching pay raise--$609,000.

Academic program..................	194,000
Freedmen's Hospital..............	415,000

B. Program:
  1. Academic Program
    a. Faculty salary increases--The increase of $1,800,000 will provide salary increases for instructional faculty, an increase of 6% over FY 1975.

    b. Colleges and Schools--An increase of $2,355,000 and 85 positions are requested for various schools within the University.

    c. University libraries--$450,000 is requested for various library facilities, including 12 new positions.

    d. Retirement program--An increase of $200,000 is requested for the partial support of the University's retirement fund.

  2. Freedmen's Hospital--The Hospital proposed an increase of $2,139,000 from patient charges--for periodic step increases ($133,000), annualization for half-year positions ($1,561,000), supplies for increase patient load ($225,000) and for added utility cost on a full year basis ($220,000).

  3. Construction
    a. Dunbarton College--An increase of $4,000,000 is requested for this program to be disbursed as follows: $1,000,000 for first trust notes (HEW and HUD)--$1,000,000 for second trust note (Sisters of Holy Cross)--$1,000,000 for the University endowment fund reimbursement--$1,000,000 for renovations at the campus.

    b. Power plant facilities--$1,000,000 is requested to meet Environmental Protection Agency requirements.

    c. Campus renovations--An increase of $1,000,000 is requested to comply with the D. C. Code requirements.

    d. Sherman Avenue-Business School--$1,000,000 is requested for building acquisition and renovation.

    e. Freedmen's Hospital--The increase of $3,000,000 will help to renovate the old Hospital buildings for instructional purposes.

Decreases:
A. Built-in:
  1. Pay raises--A decrease of $456,000 results from the October 1 - December 31, 1972 retroactive pay increase.

B. Program:
  1. Construction--The decrease of $22,605,000 is due to non-recurring projects.

Obligations by Activity

	1975 Estimate		1976 Estimate		Increase or Decrease	
Page Ref.	Pos.	Amount	Pos.	Amount	Pos.	Amount
Operations:						
(a) Academic program....	2,810	$ 83,658,000	2,907	$ 88,429,000	+97	$ +4,771,000
(b) Freedmen's Hospital...	1,661	30,429,000	1,661	32,755,000	---	+2,326,000
Subtotal.....	4,471	114,087,000	4,568	121,184,000	+97	+7,097,000
Construction:						
(a) Planning and site development.....	---	1,093,000	---	380,000	---	-713,000
(b) Buildings and land acquisition.....	---	23,176,000	---	11,284,000	---	-11,892,000
Subtotal.....	---	24,269,000	---	11,664,000	---	-12,605,000
Total obligations	4,471	138,356,000	4,568	132,848,000	+97	-5,508,000

Obligations by Object

	1975 Estimate	1976 Estimate	Increase or Decrease
Grants, subsidies and contributions...	138,356,000	132,848,000	-5,508,000
Total, obligations by object...........	138,356,000	132,848,000	-5,508,000

Authorizing Legislation

	1976	
Legislation	Authorization	Appropriation Requested
"An Act to Incorporate Howard University" (20 U.S.C. 128) Sec. 8	Indefinite	$84,158,000

APPROPRIATION HISTORY

HOWARD UNIVERSITY

Fiscal Year		Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1965		$15,691,000	$15,691,000	$15,691,000	$15,691,000
1966		18,742,000	18,742,000	18,742,000	18,742,000
1967		23,638,000	23,515,000	23,515,000	23,515,000
1968		45,582,000	26,397,000	26,397,000	26,397,000
1969		29,970,000	28,778,000	28,778,000	28,778,000
1970		61,969,000	61,969,000	61,969,000	61,969,000
1971		38,197,000	38,197,000	38,197,000	38,197,000
1972		60,486,000	60,486,000	60,486,000	60,486,000
1973		58,881,000	58,881,000	58,881,000	58,881,000
1974		62,146,000	62,146,000	62,146,000	62,146,000
1975		79,650,000	79,650,000	79,650,000	79,650,000
1975	Proposed Supplemental	2,050,000			
1976		84,158,000			

JUSTIFICATION

Howard University

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits........	4,471	$ 85,226,000	4,568	$ 90,805,000	+97	$ +5,579,000
Other expenses........	---	53,130,000	---	42,043,000	---	-11,087,000
Total......	4,471	138,356,000	4,568	132,848,000	+97	-5,508,000

General Statement

Academic Program

Howard University, located in the District of Columbia, Chartered by an Act of Congress, will celebrate 108 years of service to higher education on March 2, 1975. The University consists of seventeen schools and colleges and offers programs in higher education on the undergraduate, graduate and professional levels. Undergraduate students are registered in the college of liberal arts; graduate students seeking the masters degree and doctors degree are registered in medicine, dentistry, pharmacy, nursing, fine arts, business, engineering, architecture, social work, law, education, communications, allied health, human ecology and religion. (The school of religion receives no support from Federal funds.) The University offers the masters degree in 3 departments and the doctor of philosophy degree in 19 fields in the graduate school.

Enrollment of Students	1974 Actual	1975 Estimate	1976 Estimate
Undergraduate...........................	2,810	3,000	3,000
Graduates...............................	1,154	1,450	1,450
Professional Schools....................	4,237	5,736	5,850
Freedmen's Hospital.....................	154	202	202
Total.......................	8,355	10,388	10,502

Faculty	1974	1975	1976
No of faculty...........................	1,716*	1,734	1,788

*Includes 775 part-time teachers.

Freedmen's Hospital	1974	1975	1976
Patient statistics:			
Admissions............................	10,600	12,000	13,500
Avg. daily patient load including newborns.........................	323.6	376	450
Outpatient visits:			
Clinic................................	82,810	100,000	120,000
Emergency.............................	59,144	70,000	80,000
Total outpatient visits...........	141,954	170,000	200,000

Building Program

The building program at Howard University has been revised several times since the master development plan was inaugurated in 1951. The University is in the process of revising the master development plan due to increased enrollment during the past several years and expansion of its educational programs. The University has completed twenty four building projects since 1946 including the new University Teaching Hospital. It is anticipated that five building projects will be under construction in 1975 and two major renovation projects are expected to be underway during this same period as well as ten projects in various stages of planning. (See Table II). Also funds are provided in 1976 for an additional 5 projects (See Table II).

Program Goals for 1976:

The University will continue its emphasis on graduate and professional education in order to meet national deficiencies that exist in this nation, primarily, within minority communities. In this regard, the University will continue its analysis and review of its educational curricula in the professional and graduate schools in order to provide adequate instruction, and to seek financial support to acquire sufficient personnel, equipment, supplies and training aids as they become necessary.

The major emphasis will be placed on construction during 1976 since the University does not have adequate physical facilities for its current student body. The master development plan has been updated to include additional buildings that may be required as well as a program of major renovations in existing facilities to meet our current needs. The physical facilities at Howard University for the past decade have been less than adequate and must be improved if the quality of the academic program is expected to be maintained.

Howard University completed a comparative study of eleven similar educational institutions of like size, scope and administrative complexities and developed financial data in a number of areas to verify the fact that Howard was below the mean and the median of these schools in physical, human and financial resources that should be available to operate adequately an institution of this size and national stature. The study has been updated and the data continues to show deficiencies in most of the areas even though some improvement has been made during the past year. Our goal is to reach the mean average in each of the categories documented.

The University in FY 76, expects to correct some of the program deficiencies cited by the Office of Education in its evaluations and reports as well as those of accrediting agencies during the past several years.

Howard University will continue its primary mission to provide educational opportunities to minority students and at the same time provide the same opportunities to any qualified student without regard to race, creed, religion or national origin.

Academic Program

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits.........	2,810	$60,708,000	2,907	$64,406,000	+97	$+3,698,000
Other expenses.........	---	22,950,000	---	24,023,000	---	+1,073,000
Total............	2,810	63,658,000	2,907	88,429,000	+97	+4,771,000

NARRATIVE

The 1976 budget estimate for the Academic program represents an increase of $4,771,000 and 97 new positions over the 1975 appropriation. Of this total $200,000 is requested for the partial support of the University's retirement fund; $450,000 for the various libraries facilities including 12 new positions; and, $4,121,000 and 85 positions for instructional and departmental research purposes. A distribution of these instructional funds and positions is illustrated below.

	1975			1976		
	Fac.	Supp. Pers.	Amount	Fac.	Supp. Pers.	Amount
I. Faculty Salary Increases..........	---	---	$1,400,000	---	---	$1,800,000
2. Liberal Arts..........	---	---	---	8	4	400,000
4. Graduate School......	11	5	430,000	6	3	300,000
5. Fine Arts............	---	---	---	3	1	120,000
6. Communications.......	7	6	455,000	4	8	500,000
7. Bus. & Public Adm....	---	---	---	6	3	230,000
8. Medicine.............	---	---	---	13	6	400,000
9. Dentistry............	---	---	---	5	---	125,000
10 Pharmacy.............	---	---	---	4	2	150,000
11 Allied Health Sciences	---	---	---	5	4	130,000
Subtotal..........	18	11	2,285,000	54	31	4,121,000
Staff Benefits (Retirement Allowances)	---	---	---	---	---	200,000
University Libraries.	---	16	526,000	---	12	450,000
Total..........	18	27	2,811,000	54	43	4,771,000

Faculty Salary Increases, Budget Authority, $1,800,000

Funds are requested for faculty increases of 6% in order that the University remain competitive and to seek and attract competent new faculty members for the academic program. This request will enable our faculty salaries to remain reasonable close to the proposed national average in accordance with the AAUP salary study.

College of Liberal Arts, Budget Authority, $400,000

The purpose of this request is to correct some of the accreditation deficiencies in the College due to an unusally high faculty-student ratio. This request includes 8 faculty positions at $165,000; 4 support personnel at $41,082; and other objects at $193,918.

The Graduate School, Budget Authority, $300,000

The University is requesting $300,000 in additional funds for the Graduate School as we continue our emphasis on Graduate and Professional Education. These funds will allow continued reorganization of the Graduate School into a major center of graduate level education in the Arts and Sciences. This request includes 6 faculty at $170,000; 3 support personnel at $31,333 and other objects at $98,667.

College of Fine Arts, Budget Authority, [illegible] -

The College of Fine Arts is completely restructuring its curricula to meet the needs of its graduates in both the graduate and the undergraduate area. Despite being in great demand, the school has limited its enrollment in 1976 because of a lack of space. This request includes funds for 3 faculty at $65,000; 1 support personnel at $9,969 and other objects at $45,031.

School of Communications, Budget Authority, $500,000 -

The School of Communications continues to turn away students seeking enrollment due to lack of adequate equipment, space, faculty and supporting personnel. This request includes 4 faculty at $90,000, 8 support personnel at $87,494 and other objects at $322,506.

School of Business and Public Administration, Budget Authority, $230,000 -

This request will enable the School of Business and Public Administration to meet several of its pressing accreditation needs by raising the faculty-student ratio to an acceptable level. The total request includes [illegible] faculty positions at $140,000; 3 support personnel at $31,113 and other objects at $58,887.

College of Medicine, Budget Authority, $400,000 -

The College of Medicine is seeking additional funds to meet some of the more pressing accreditation problems due to insufficient faculty, support personnel and equipment. According to data published by the Association of American Medical Colleges, Howard University is grossly deficient in its expenditures for medical education as compared with the national norm. This request will enable the University to obtain 13 faculty positions at $285,750; 6 support personnel at $62,070 and other objects at $52,180.

College of Dentistry, Budget Authority, $125,000 -

The College of Dentistry is seeking additional funds to improve its faculty-student ratio and to meet other accreditation problems. This request provides for 5 faculty at $108,700 and other objects at $16,300.

College of Pharmacy and Pharmaceutical Sciences, Budget Authority, $150,000 -

This request will enable the College of Pharmacy and Pharmaceutical Sciences to partially meet the revised accreditation standards established by the national accrediting body during the 1976 fiscal year. The revised accreditation standards require an increase in teaching personnel, supporting staff and teaching supplies as well as additional equipment. This request includes 4 faculty at $80,000, 2 support personnel at $19,938 and other objects at $50,062.

College of Allied Health Sciences, Budget Authority, $130,000 -

The College of Allied Health Sciences is seeking funds to meet some of its accreditation problems in the newly established College of Allied Health Sciences. These funds will be used to meet accreditation standards as the school seeks to eliminate some of the critical shortages of black professionals by producing competent, trained technicians in the para-medical field. This request includes funds for 5 faculty at $81,000; 4 support personnel at $32,110 and other objects at $16,890.

University Libraries, $450,000

Howard University continues seeking funds to improve its library facilities that services all of the students at the University. The library, while acquiring funds in recent years is still deficient for a university of this size, complexity and diversity. Of special concern is the collection development, application of current library technology, and staffing. This request will strengthen the University's holdings and will provide for 12 professional staff and support personnel at $181,339 and other objects at $268,661.

HOWARD UNIVERSITY

Freedmen's Hospital

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Personnel compensation and benefits........	1,661	$24,518,000	1,661	$26,399,000	---	$+1,881,000
Other expenses........	---	5,911,000	---	6,356,000	---	445,000
Total........	1,661	30,429,000	1,661	32,755,000	---	+2,326,000

NARRATIVE:

With the completion of the move from the old Freedmen's Hospital facilities in 1975, the new Howard University Teaching Hospital will be fully operative during the whole of 1976. The average daily census will increase by 20 percent to 450 patients, including newborn, while the estimated 200,000 outpatient visits will be an increase of 14 percent over 1975. A total of 202 physicians, dentists, and other professional and ancillary health personnel will be in training during the year.

The hospital proposes to increase its room rates effective July 1, 1975 to provide additional revenue to meet anticipated additional expenditures in the operation of the new hospital building. The proposed increase in room rates is expected to provide additional revenue in the amount of $2,139,000 during FY 76. The hospital also proposes to annualize the 5.5% pay increase for its employees during 1976 as required and approved by past practice. This is estimated to cost $415,000. This total amount will be reduced by $228,000 in FY 76 to reflect the non-recurring payroll expense applicable to the pay raise of October - December 1972 that was paid on a retroactive basis. The above items will require the budget of the hospital to increase by $2,326,000 during this period.

CONSTRUCTION

	1975		1976		Increase or Decrease	
	Pos.	Amount	Pos.	Amount	Pos.	Amount
Other expenses........	---	$24,269,000	---	$11,664,000	---	$-12,605,000
Total obligations	---	24,269,000	---	11,664,000	---	-12,605,000
Subactivities:						
Planning and site development.......	---	1,093,000	---	380,000	---	-713,000
Buildings and land acquisitions......	---	23,176,000	---	11,284,000	---	-11,892,000
Total obligations	---	24,269,000	---	11,664,000	---	-12,605,000

NARRATIVE:

The building program at Howard University has followed the master development program as prepared in 1951 with the cooperation of the General Services Administration, authorized by an appropriation of $50,000 by the Congress (Public Law 639, 80th Congress, approved June 1949). This program was based upon a twenty year projection which would make it possible to accommodate an equivalent of 5,200 full-time students in ten schools and colleges for a regular two semester school year. The student projection of 5,200 was reached in 1963. The full-time equivalent student enrollment for 1975 is expected to be 10,388. In order to update the master development program, the Congress authorized two appropriations in 1965 and 1967 totalling $60,000 to study the building needs of the University for the next twenty years. This study was completed in 1966 and received the approval of the National Capital Planning Commission. In general, the revised master development program provided educational, administrative, service and auxiliary facilities for a full-time equivalent of 12,000 students or an increase of 6,800 over the 1951 plan. The University is currently revising the 1966 plan. The transfer of Freedmen's Hospital to the supervision of Howard University, the acquisition of the old Griffin Stadium site, construction of a new 500 bed teaching hospital and the acquisition of the Dunbarton College site represent the major developments not contemplated in the original program.

Buildings and Land Acquisition

a. Dunbarton College Campus, Budget Authority, $4,000,000 - The University continues to seek funds to meet its contractual obligation in purchasing the Dunbarton College Campus. These funds will be utilized to make payment on the first and second trust notes currently outstanding on this acquisition and to continue a renovation program on currently existing buildings.

b. University Power Plant or Reimbursement of Trust Funds for Renovation, Budget Authority, $1,500,000 -

This request will enable the University to provide the necessary technical improvements to its power plant smokestack in order to meet the Environmental Protection Agency regulations on pollution. The University has currently been cited for a violation of these regulations and this request will enable the University to comply with the law. These funds will be used for renovation of the power plant smokestack or reimbursement to the University Endowment Funds if funds are required to be advanced for this purpose prior to final approval of the 1976 appropriation.

c. Freedmen's Hospital Building Renovation, Budget Authority, $3,000,000 -

The University is seeking funds to renovate the old Freedmen's Hospital buildings that are expected to be vacated by March 31, 1975. The availability of these facilities will provide additional space for many of the University's academic program needs. In order to meet minimum space requirements, funds will be required to renovate these facilities as soon as possible.

d. Building Renovation to meet D. C. Code Requirements or Reimbursement of Trust Funds for Renovation, Budget Authority, $1,000,000 -

The University has been notified by the District of Columbia Government that its buildings must meet D. C. Code requirements. A team of inspectors has been scheduled to visit the University to determine code violations and to require the University to make the necessary renovations to meet D. C. Code requirements. Previously, the District of Columbia Government had not imposed the D. C. Building Code requirements upon the University since University buildings were constructed by the General Services Administration and were assumed to be in compliance with D. C. regulations. This apparently has not occurred and an inspection is currently under way. The University estimates that a minimum of $1,000,000 will be required to meet these needs.

e. Sherman Avenue - Business School Building Renovations, Budget Authority, $1,000,000 -

The University is seeking funds to purchase the Sherman Avenue property that currently houses its School of Business and Public Administration. This request will also enable the University to make much needed renovations to the building in order that it may effectively utilize this facility and provide the type of academic space required in the School of Business and Public Administration. Approval of this request will enable this school to meet one of its major deficiencies for accreditation, inadequate and insufficient space.

f. Building projects supported by prior year balances, $2,604,000 -

FY 76 obligations from prior year balances include:

Land Acquisition - Griffith Stadium Properties...	$ 298,000
- Fifth Street Properties.......	506,000
Chemistry Building Renovations....................	500,000
Classroom Building #3 and #4......................	187,000
Master Development Plan - Freedmen's Square......	193,000
Power Plant Facilities............................	117,000
Slowe Hall Renovations............................	300,000
University Teaching Hospital......................	503,000
Total....................................	2,604,000

TABLE I

ANALYSIS OF FINANCING IN SUPPORT OF BUDGET ESTIMATES FOR FISCAL YEARS 1974 THROUGH 1976

	1974 Actual	1975 Estimate	1976 Estimate
From Non-Federal Sources			
1. Student Fees - Tuition*.....	$ 8,148,000	$ 9,920,000	$ 9,920,000
Incidental & Service.........	1,588,000	1,588,000	1,588,000
2. Endowment Income............	288,000	288,000	288,000
3. Gifts and Grants............	14,691,000	14,691,000	14,691,000
4. Sales & Services of Educational Departments & Activities................	271,000	271,000	271,000
5. Other Income................	183,000	183,000	183,000
6. Auxiliary Enterprises........	3,929,000	3,929,000	3,929,000
7. Student Aid..................	3,000,000	3,000,000	3,000,000
8. Patient Collections - Freedmen's Hospital.......	9,972,000	11,017,000	1[illegible],156,000
Total, Non-Federal.....	42,070,000	44,887,000	47,026,000
From Government Appropriations			
Howard University - Academic Program			
Operations.............	$45,360,000	$49,788,000	$54,559,000
Unobligated balance Lapsing..............	-244,000		
Construction -			
NOA....................	---	1,093,000	380,000
Unobligated balance....	2,529,000	23,176,000	11,284,000
Freedmen's Hospital - Operations.............	16,786,000	19,412,000	19,599,000
Total, Government Funds	64,431,000	93,469,000	85,822,000
Total, Financing.......	106,501,000	138,356,000	132,848,000

*Yearly tuition costs for colleges and universities is $1,100, except for Dentistry ($1,300), Medicine ($1,500), Music ($1,164) and Law ($1,150).

TABLE II

HOWARD UNIVERSITY

STATUS OF BUILDING PROJECTS AT JUNE 30, 1974, SHOWING APPROPRIATED AND REQUESTED OBLIGATIONAL AUTHORITY

	DIRECT APPROPRIATION		
	Plans and Specifications	Construction	Total Obligational Authority
Completed Projects			
1. Master Development	$ 50,000	$ —	50,000
2. Power Plant Survey	21,000	—	21,000
3. Women's Dormitories	39,600	1,750,400	1,790,000
4. Engineering Building	42,480	2,118,860	2,161,340
5. Dental School	42,480	3,257,680	3,300,160
6. Science Hall Alterations	12,760	307,240	320,000
7. Pharmacy Building	55,500	904,500	960,000
8. Biology-Greenhouse Bldg.	101,500	1,770,500	1,872,000
9. Law School Building	107,900	1,302,100	1,410,000
10. Administration Building	90,500	1,534,500	1,625,000
11. Preclinical Medical Bldg.	190,000	4,436,000	4,626,000
12. Men's Dormitory #3	101,800	1,898,200	2,000,000
13. Auditorium-Fine Arts Bldg.	57,015	3,687,985	3,745,000
14. Home Economics Building	70,000	1,105,000	1,175,000
15. Power Plant Facilities - Repairs and Boilers	---	1,292,000	1,292,000
16. Telephone Duct System	---	122,000	122,000
17. Physical Ed. Bldg. (Men)	203,000	3,270,000	3,473,000
18. Classroom Building #2	105,000	2,225,000	2,330,000
19. Warehouse Service Bldg. #1	52,000	550,000	602,000
20. Women's Dormitory #7	120,000	3,417,000	3,537,000
21. Social Work Building	56,000	1,434,000	1,490,000
22. Women's Dormitory #8	150,000	2,741,000	2,891,000
23. Carver Hall Renovation	---	835,000	835,000
24. Warehouse Service Bldg. #2	---	700,000	700,000
Total-Completed Projects	1,668,535	40,658,965	42,327,500
Under Construction in 1975			
1. Slowe Hall Renovations (By reprogramming)	---	+500,000	+500,000
2. Power Plant Facilities	---	1,800,000	1,800,000
3. Renovation of Electrical and Steam Distribution	85,000	1,879,000	1,964,000
4. University Teaching Hospital	1,230,000	43,109,000)	44,339,000)
Increase by reprogramming	---	1,500,000)	1,500,000)
5. Chemistry Building renovations	---	1,200,000	1,200,000
6. University Library renovations	---	1,200,000	1,200,000

	DIRECT APPROPRIATION		
	Plans and Specifications	Construction	Total Obligational Authority
Under Construction in 1975			
7. Engineering Building Addition for Chemical Engineering	$ ---	$ 326,600)	$ 326,600)
(Increase by re-programming)	---	+345,000)	+345,000)
8. University Center Building	240,000	3,760,000)	4,000,000)
(Increase by re-programming)	---	+3,365,000)	+3,365,000)
Total - Projects for construction-1975	1,555,000	58,984,600	60,539,600
In Planning Stages in 1975			
1. Master Development Plan - Freedmen's Hospital Square	360,000	---	360,000
Updating 1966 Plan (by reprogramming)	+100,000	---	+100,000
2. Medical-Dental Library Expansion	24,000	1,000,000	1,024,000
3. Men's Dormitory #4	139,000)	3,714,000)	3,853,000)
(Decrease by reprogramming)	-105,000)	-3,714,000)	-3,819,000)
4. Beltsville Campus (by re-programming)	+100,000	---	+100,000
5. Classroom Building #3 and #4 combined as classroom building #4	300,000)	---	300,000)
(Increase by reprogramming)	+100,000)	---	+100,000)
6. Physical Education Building for Women	140,000)	2,445,000)	2,585,000)
(Decrease by reprogramming)	---)	-2,441,000)	-2,441,000)
7. Gen'l Library Expansion	100,000)	6,800,000	6,900,000)
(Increase by reprogramming)	+100,000)	---	+100,000)
8. Science Library	100,000	---	100,000
9. Dental Building Addition	200,000)	---	200,000)
(Increase by reprogramming)	+50,000)	---	+50,000)
10. Hospital Pavilion for ambulatory and extended care patients	500,000)	---	500,000)
(Increase by reprogramming)	+100,000)	---	+100,000)
11. Site Plans and Development	20,000	419,000	439,000
Total-Projects in Planning Stages-1975	2,328,000	8,223,000	10,551,000

	DIRECT APPROPRIATION		
	Plans and Specifications	Construction	Total Obligational Authority
Acquisitions - Land and Equipment In Progress - 1975			
1. Site for University Expansion Griffith Stadium	---	$ 1,725,000	$ 1,725,000
2. Teaching Hospital - movable equipment	---	5,200,400	5,200,400
3. Purchase - Fifth Street Properties	---	1,306,000	1,306,000
4. Puchase - Griffith Stadium Properties	---	1,065,000	1,065,000
5. Partial Purchase - Dunbarton Campus Facilities	---	3,000,000	3,000,000
Total-Acquisitions in Progress-1975	---	12,296,400	12,296,400
In 1976 Estimate			
1. Partial Purchase - Dunbarton Campus Facilities	---	4,000,000	4,000,000
2. University Power Plant - Environmental Protection Agency requirements	---	1,000,000	1,000,000
3. Freedmen's Hospital renovations	---	3,000,000	3,000,000
4. District of Columbia Code Renovations	---	1,000,000	1,000,000
5. Sherman Avenue Property Acquisition and Renovation	---	1,000,000	1,000,000
Total-1976 Estimate	---	10,000,000	10,000,000
Total-Building Program	5,551,535	130,162,965	135,714,500

Program Purpose and Accomplishments

Activity: Operations, Academic Program

1975			1976	
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
2,810	$49,788,000	Indefinite	2,907	$54,559,000

Purpose:

This activity provides the required support for the academic program of the university and includes the required sub-activities classified as instruction and departmental research; research and training sponsored by outside agencies and organizations; a comprehensive library system that services the colleges and schools of the university including highly specialized professional schools as well as undergraduate and the graduate areas of instruction; administrative and support services; operation and maintenance of physical plant auxiliary enterprises and student aid.

Explanation:

The instructional activity, with its supporting sub-activities, provides education on the undergraduate, graduate, and professional levels for students who elect to attend a highly complex institution to secure a high grade quality education that is not available within their own locality. While this education is available at Howard University to all students without regard to race, creed, or national origin, the university undertakes to meet its primary mission by providing special attention to the needs of Blacks and other minorities.

The academic program is supported by an annual Federal appropriation plus receipts from student fees, endowment income, gifts and grants for research or specified projects, sales and services of educational departments, auxiliary enterprise income, and gifts and grants for student aid. FY 76 estimates are shown in Table I.

Accomplishments in 1975

Howard University in 1975 will: (1) continue a program to maintain faculty salaries on a competitive basis and seek a level of comparability with similar institutions of like size and scope; (2) provide 18 teaching and 11 supporting positions in 2 schools to assist and expand educational programs; and (3) add 6 additional professional librarians and 10 supporting personnel for the university library system and provide additional funds for the purchase of books, supplies and needed equipment.

Objective for 1976:

The university will require funds for faculty increases in order to remain competitive among similar educational institutions. The budget request is designed to partially correct accreditation deficiencies in nine schools and colleges, the university library system and to assist in providing partial support for our retirement program.

The 1976 objective is to eliminate as many of the accreditation deficiencies as possible within the budget of the university. In meeting this objective, the university will seriously analyze its current programs and its total operating budget to determine whether or not additional funds from non-Federal sources can be obtained to meet some of the pressing accreditation problems.

Program Purpose and Accomplishments

Activity: Operations, Freedmen's Hospital

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
1,661	$19,412,000	Indefinite	1,661	$19,599,000

Purpose:

Freedmen's Hospital furnishes inpatient and outpatient care for the community and serves as a facility for the training of physicians, nurses, professional and technical health personnel. It is the teaching center for Howard's health programs.

Explanation:

Operation of the hospital is financed by direct appropriation and income derived from charges for medical and hospital services to patients, medicare patients and patients certified by the District of Columbia and other jurisdictions. The hospital operates a total of 478 beds and 70 bassinets.

Accomplishments in 1975:

The new University Teaching Hospital will be opened and utilized for patient care early in the calendar year 1975. The transfer of personnel from the old hopsital and the installation of equipment will be completed and the new building will be fully operative. The expected average daily census of 376, including newborn, represents an increase of 16 percent over the preceding year, while the expected 170,000 outpatient visits are a 20 percent increase over 1974.

Objective for 1976:

In 1976, the primary objective will be to utilize our fully operative new hospital for patient care and teaching. The average daily census will increase by 20 percent to 450 patients including newborn, while the estimated 200,000 outpatient visits will be an increase of 14 percent over 1975.

Program Purpose and Accomplishments

Activity: Construction - Land Acquisition, Equipment and Building Renovations

1975		1976		
			Budget Estimate	
Pos.	Amount	Authorization	Pos.	Amount
---	$12,500,000	Indefinite	---	$10,000,000

Purpose:

The construction activity of the building program at Howard University is designed to execute projects after plans and specifications have been completed by the architect-engineer, and to implement related construction projects, including major renovations or the purchase of land and facilities.

Explanation:

Appropriations are requested to fund the construction projects in accordance with the master development plan. These require the actual construction or acquisition of physical facilities to house the various educational programs or activities as needed.

Accomplishments in 1975:

The University expects to break ground on the new student center building during this fiscal year and to complete construction of the addition to the engineering building. Major renovations are underway in the university library building and in the chemistry building in accordance with completed plans and specifications. The Howard University power plant has been renovated to provide the necessary utility service to the new university teaching hospital that is expected to be occupied during this fiscal year. The University purchased the Dumbarton College site and is in the process of making major renovations in these buildings to accommodate several academic programs.

Objectives for 1976:

The budget request provides for (1) additional funds for partial payment of the Dumbarton College site; (2) renovation funds for the power plant smokestack to meet EPA regulations; (3) funds to renovate the old Freedmen's Hospital buildings for ultimate use in the academic program; (4) renovation funds to meet D. C. Code requirements for campus buildings and (5) funds to acquire and renovate the Sherman Avenue property currently housing our School of Business and Public Administration.

Amounts Available for Obligations

	1976 Interim Period
Appropriation	$18,728,000
Unobligated balance, start of period	4,659,000
Unobligated balance, end of period	-2,551,000
Total obligations	20,836,000

Obligations by Activity

	1976 Interim Period Pos.	1976 Interim Period Amount
Operations:		
(a) Academic program	30	$13,828,000
(b) Freedmen's Hospital	---	4,900,000
Subtotal	30	18,728,000
Construction:		
(a) Buildings and land acquisition	---	2,108,000
Total obligations	---	20,836,000

Obligations by Object

Grants, subsidies and contributions	$20,836,000

Narrative

Estimates for the three-month interim period--$18,540,000--are based on one-fourth of Howard University's 1976 budget estimate, plus an additional $188,000 for thirty new faculty.

The purpose of this request is to permit Howard to augment its academic program activities and the Freedmen's Hospital operation during this period. The thirty new positions are required at this time in order to provide the necessary staffing for the 1976-77 school year.

SUBCOMMITTEE RECESS

Senator **BAYH**. The subcommittee will stand in recess subject to the call of the Chair.

[Whereupon, at 11:20 a.m., Friday, March 21, the subcommittee was recessed, to reconvene at the call of the Chair.]

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 1976

WEDNESDAY, APRIL 9, 1975

U.S. SENATE,
SUBCOMMITTEE ON DEPARTMENTS OF LABOR AND
HEALTH, EDUCATION, AND WELFARE AND RELATED AGENCIES,
Washington, D.C.

The subcommittee met at 10:05 a.m., in room S–126, the Capitol, Hon. Thomas Eagleton presiding.

Present: Senators Eagleton, Beall, and Stevens.

EDUCATION DIVISION

CONGRESSIONAL WITNESSES

PREPARED STATEMENT OF SENATOR EAGLETON

Senator EAGLETON. Good morning, ladies and gentlemen.

The Subcommittee on Labor, Health, Education, and Welfare will be in order.

Our first witness today will be Senator Beall of Maryland, and we will hear from him in a moment.

Prior to that, I would like to introduce into the record my own statement with respect to funding of title VII of the Education Amendments of 1974, particularly the Reading Improvement Act, which I ask to be printed in its entirety.

[The statement follows:]

Mr. Chairman, I am delighted to appear before the Committee to urge an increase in funds for title VII of the Education Amendments of 1974, the Reading Improvement Program.

The Reading Improvement Program, which Senator Beall and I sponsored seeks to attack the most basic educational problem we face today -- teaching children to read. The stark truth is that we are pumping thousands and thousands of illiterates out of our school systems. The U.S. Office of Education has estimated that 40 to 50 percent of the students in urban schools have serious reading problems. I submit that we cannot continue to fail to teach children how to read. We must get at the root of the problem now and identify what does or does not work in the classrooms to teach basic reading skills. The programs authorized under title VII will make that possible.

Four kinds of programs are authorized by title VII:
(1) grants to state and/or local school districts for exemplary programs designed to overcome reading deficiencies;(2)special emphasis programs using intensive intruction by reading specialists;
(3) development of reading instruction courses for television; and
(4) reading academies to serve primarily school dropouts.

Mr. Chairman, the Administration has recommended only $12 million to implement the new program, the same amount as has been recommended and appropriated for the last three years for the "Right to Read" program. Beginning in 1969, Right to Read invited the states to join in a national effort to combat illiteracy and become Right to Read states. Thirty one states have now joined this effort and made public commitment to placing reading in the highest priority. Perhaps the most important function of the previous program has been to provide staff development and inservice program models for use by school districts in the states. However, this year the Administration proposes to terminate the activities being conducted under the Right to Read program.

In enacting title VII, it was not our intent to eliminate the current program. Rather, we intended to build upon the existing activities conducted by the states and expand the program to the local school districts. Senator Beall and I have discussed this problem with representatives of the Office of Education, and it is my understanding that the Administration will soon propose legislation to authorize the continuation of the existing program -- legislation which will have my full support.

Mr. Chairman, I strongly urge the Committee to approve $25 million for the Reading Improvement Program. If this amount is approved, I suggest that the Committee report break down the spending level as follows:

$10 million for Section 705 (general reading programs)

$3.5 million for Section 721 (special emphasis programs using reading specialists)

$1 million for Section 722 (reading training on television)

$2.5 million for Section 723 (reading academies).

Eight million dollars is required to continue the existing program. This amount could be included, contingent upon the enactment of authorizing legislation, if the Committee deems it appropriate.

I cannot emphasize too strongly the need for implementing the new title VII program and seeing that the funding is adequate to make a real impact across the nation. $25 million is a relatively modest sum of money in view of the enormity of the problem. Certainly it is not comparable to the vast amounts now being spent on title I and other programs which deal to some degree with reading instruction. But this new program is not duplication -- it is not designed to compete with title I. Rather, it is intended to focus specifically on the reading problems all of our schools are now faced with. It is the federal carrot, if you will, which will entice school districts to assess their current programs and develop stronger, more effective ones. We cannot hope to reach all schools with the small amounts likely to be available, but we can have all the states involved, and work with selected school districts. When successes are achieved in these programs, we must then apply the knowledge gained to other programs, such as title I which reaches 90 percent of the nation's school districts.

In conclusion, Mr. Chairman, I have an article from the September 1[illegible], 1973 issue of the New York Times headlined "POOR READER SUES COAST EDUCATORS," which I would like to have inserted in the Committee hearing record. The article describes one Peter W. Doe, age 18, the product of a middle-class family who graduated and received a diploma from high school even though he was unable to read beyond a fifth grade level.

Peter sought a job as a clothing salesman, but was unable to read and hence could not fill out the job application form. He now is suing the school board and school administrators for $1 million, contending that under California law the state is responsible for maintaining minimum educational standards and that as a result of the state's failure to meet this responsibility, he was deprived of his right to acquire a basic education. This is not the first such lawsuit ever brought. Nor, I am sad to say, will it be the last. It should, however, be the beginning of the last. I believe it can be if this Committee takes steps now to help the school districts solve the reading problem.

READING PROBLEMS

Senator **Eagleton.** I will just read the concluding paragraph there that I think illustrates the point rather well that I want to make. I am inserting, along with my prepared remarks, an article dated September 16, 1973, from the New York Times. The headline quotes "Poor Reader Sues Coast Educators," and it will be printed in full in the record.

That article describes one Peter W. Doe, age 18, the product of a middle-class family who graduated and received a diploma from high school even though he was unable to read beyond a fifth-grade level.

Peter sought a job as a clothing salesman, but was unable to read and hence could not fill out even the job application form. He now is suing the school board and school administrators for $1 million, contending that under California law the State is responsible for maintaining minimum educational standards and that as a result of the State's failure to meet this responsibility, he was deprived of his right to acquire a basic education.

This is not the first lawsuit ever brought, nor, I am sad to say, will it be the last. It should, however, be the beginning of the last. I believe it can be if this committee takes steps now to help the school districts solve their reading problems.

INTRODUCTION OF SENATOR J. GLENN BEALL

I am pleased at this time to call on Senator J. Glenn Beall, of Maryland, who has had a long and continuing interest in management relating to reading.

Thank you.

STATEMENT OF SENATOR BEALL OF MARYLAND

Senator **Beall.** Thank you, Mr. Chairman.

I am happy to be here this morning. I am particularly happy that you are chairing this hearing in this subcommittee because I know, having worked with you on the reading program in the Labor-Public Health Committee, of your personal involvement in this problem and your concern that something constructive be done to improve the quality of reading education and improving opportunities for young people who have reading handicaps to have the handicaps identified and corrected at a time when it is possible to do so.

Mr. Chairman, as the ranking minority member of the Education Subcommittee and as a coauthor, along with Senator Eagleton, of the National Reading Improvement Program, I welcome this opportunity to appear with Senator Eagleton to strongly urge the Committee to appropriate $25 million for this major national reading effort.

The Reading Improvement Program was enacted as part of the Education Amendments of 1974 and is designed to deal with what I have labeled the "Achilles' Heel" of American education--the large number and high concentrations of children in some of our schools with severe reading difficulties.

I am pleased that the Administration in their FY 76 budget contemplated funding this new program; however, I am disappointed that the Administration elected to discontinue in effect the former Right to Read Program. This certainly was not what Senator Eagleton or I contemplated. We are urging the Committee to appropriate $8 million to continue the former Right to Read effort and an additional $17 million for funding the projects under the National Reading Improvement Program.

The following facts and statistics indicate the magnitude of the problem and the need for action:

-- Approximately 18 1/2 million adults are functional illiterates.

-- Some 7 million elementary and secondary children are in severe need of special reading assistance.

-- In large urban areas, 40 to 50 percent of the children are reading below grade level. A 1969 Office of Education survey indicated 22 percent of the urban schools had 70 to 100 percent of their pupils reading a year or more below grade level.

These massive reading difficulties have been confirmed by surveys of teachers and pupils alike. Over and over again, parents, the general public, and the press across the nation have expressed concern with the poor pupil performance in the fundamental reading area. For example, a 1973 survey in my State found that "the people of Maryland believe that the mastering of reading skills is the most important education goal for the schools of the State."

Mr. President, after I had introduced the reading proposal, I received a letter from an individual from Texas who sent me a copy of an article from the "Dallas Morning News". I would like to read a couple of paragraphs from this article.

"At commencement exercises throughout the city recently, anywhere from 500 to 1,000 of Dallas' 9,000 graduating seniors, according to official estimates, walked across stages to be handed diplomas they could not read. Barely able to read, many will wind up with poor jobs or no jobs at all. Still in school, youngsters who are either unable to read at all or read only at the most elementary level can be found in almost every one of Dallas' 43 secondary schools. Dallas School Superintendent Nolan Estes has estimated more than 20,000 of the public school system's 70,000 secondary students read at least two or more years below grade level."

The National Reading Improvement Program is essentially preventive in nature. It is based on the premise that it is much easier to prevent reading difficulties than to remedy such difficulties once they occur. The program has essentially three parts:

(1) Reading Improvement Projects, under which grants are made to states and local educational agencies for projects designed to overcome reading deficiencies;

(2) Special Emphasis Projects, which seek to determine the effectiveness of intensive instruction by reading specialists and the regular elementary teacher. Projects under this part would (a) provide for the teaching of all children in grades one and two by a reading specialist, (b) the teaching of children in grades three through six who

have reading problems by a reading specialist, and (c) an incentive Vacation Reading Program for elementary children who are found to be reading below the appropriate grade level.

(3) Reading Academies, which provide assistance to youths and adults who otherwise would not receive assistance and instruction.

Mr. Chairman, the reading program we are asking the Committee to support is the result of considerable study and two volumns of hearings. In addition, we conducted a fifty-state survey of the training required for teachers in the elementary area. While the National Reading Improvement Program will not be a panacea for all the reading problems, I believe that there is considerable evidence that this approach can and will make a substantial difference. A society, where technology and education are so important and where only approximately 5 percent of the public are unskilled, cannot allow the dangerous conditions, of massive numbers of children lacking the ability to read which affects both their capability to learn and to earn, to continue.

As a member of the Budget Committee, I am aware of the fiscal problems facing this country and the need for spending restraint. This is a program that addresses a critical problem that crys out for a solution. Support for this program has been widespread both from the education community and from the general public. In view of the limited opportunities available for individuals who cannot read, and in view of the burdens that such individuals often become to society, this program is one we must afford even in this difficult budget year.

I note, Mr. Chairman, that a 1974 special report of "Education USA" on reading noted with respect to the Right to Read effort that it "has become one of the most highly publicized and underfinanced federal efforts in educational history." That is true notwithstanding the fact that in 1969 Education Commissioner Jim Allen announced with considerable fanfare the launching of the Right to Read effort. Since then each of his successors have recognized and supported reading as a priority area. It is my hope that the Appropriations Committee will not allow this program to suffer a similar fate and instead provide the modest funds in view of the magnitude and importance of the problem as recommended by Senator Eagleton and me.

Mr. Chairman, I ask unanimous consent that the statement I made when the bill passed the Senate on May 8, 1974 which goes into considerable more detail with respect to the reading problem and the rationale for this program, be printed in the hearing record.

SENATOR BEALL'S REMARKS WHEN EDUCATION BILL PASSED SENATE MAY 8, 1974

Mr. BEALL. Mr. President, at this time I want to address myself to title VII, the national reading improvement program.

This title combines S. 1318, which I introduced and S. 2000, which was introduced by Senator Eagleton and would authorize a 4-year, $600 million accelerated attack on what I have labeled the "Achilles' Heel" of American education—the large number or high concentration of children in some schools with severe reading difficulties.

The education-limiting and career-crippling handicap of the inability to read is so big and its solution so important that it demands a concentrated attack, and I believe that the reading improvement program can and will make a substantial difference.

The reading effort authorizes two types of demonstration projects, the reading improvement demonstration projects and the special emphasis projects. Under the former, Federal assistance would be available for projects conceived by States or local education agencies. Under the special emphasis projects, Federal assistance would be available for school districts to carry out a specific demonstration designed to determine the effectiveness of intensive instruction by reading specialists and the reading teachers—the regular classroom teacher with upgraded skills.

Reading emphasis projects must provide for:

First, instruction for all students in grades one and two by a reading specialist for one period daily and similar instruction for students in grades three through six who are experiencing reading difficulties; and

Second, an intensive vacation reading program for elementary children who are having reading problems.

Other provisions of the reading program would:

First, authorize the development of a course and a study guide in reading to be shown over public television for use by teachers and parents;

Second, provide grants to institutions of higher education to strengthen and improve undergraduate and graduate instruction in the teaching of reading;

Third, direct the National Institute of Education to accelerate research in reading and to establish a reading improvement laboratory.

Fourth, provide grants to States for the review and upgrading of State certification requirements;

Fifth, create a Presidential Award for Reading Achievement to motivate elementary pupils to develop better reading skills, and

Sixth, establish an Office of Improvement of Reading in the Office of Education.

Cosponsoring S. 1318 with me were Senators DOMINICK, DOMENICI, MONTOYA, and PASTORE. I am grateful for their help and support on this measure.

The alarming statistics reveal the magnitude of the reading problem. It is estimated:

That some 18¾ million adults are functional illiterates;

That some 7 million elementary and secondary children are in severe need of special reading assistance;

That in large urban areas, 40 to 50 percent of its children are reading below grade level;

That 90 percent of the 700,000 students who drop out of school annually are classified as poor readers; and

That massive reading difficulties revealed in those statistics have been confirmed by surveys of teachers and principals alike.

The Office of Education in 1969 surveyed 28,000 title I elementary schools in over 9,200 school districts across the country. Two hundred and sixteen thousand teachers were asked to supply data on approximately 6 million pupils in grades 2, 4, and 6. These teachers judged reading the greatest area of need and they estimated that approximately 2.5 million pupils, or 46 percent of the enrollment in these grades, showed evidence of a critical need for compensatory programs in reading. This data indicated that 33 percent of the urban schools had 70 to 100 percent of their pupils reading 1 year below grade level.

Similarly, a survey of principles representing elementary school populations of approximately 30 million and a secondary school population of 17.8 million was taken seeking their estimate of the reading problem. These responses were analyzed by Carol Ann Dwyer of the Education Testing Services, Berkeley, Calif., and she found that the principals identified some 4.7 million pupils with reading problems in the elementary grades, and 2.7 million in the secondary grades.

Alarmingly, 37 percent of the elementary pupils and 46 percent of the secondary pupils with reading problems were reported to be receiving no special assistance in the instruction of reading.

The Department of Education in my State last year released the results of its survey of 11,000 citizens on the most important goal for Maryland schools. The survey found that "the people of Maryland believe that the mastering of reading skills is the most important education goal for the schools of the State."

Over and over again, parents, the general public, and the press across the Nation have expressed concern with poor student performance in the fundamental reading areas.

After I introduced this measure, an individual from Texas sent me a copy of the Dallas Morning News of June 24, 1973, which did a story on "Illiterate Graduates Face Literate World." I want to read into the RECORD the first two paragraphs from this article:

At commencement exercises throughout the city recently, anywhere from 800 to 1,000 of Dallas' 9,000 graduating seniors, according to official estimates, walked across stages to be handed diplomas they could not read.

Barely able to read, many will wind up with poor jobs or no jobs at all.

Still in school, youngsters who are either unable to read at all or read only at the most elementary level can be found in almost every one of Dallas' 43 secondary schools.

Dallas School Superintendent Nolan Estes has estimated more than 30,000 of the public school system's 70,000 secondary students read at least two or more years below grade level.

On May 4 the Washington Post headline read "Reading Tests Show Widespread Illiteracy." The Post was reporting on a new Government report showing that about 1 million American youths between the ages af 12 and 17 are unable to read as well as the average fourth grader and can thus be called illiterate. Dr. Holloway, director of the right to read program, called this report "alarming and discouraging." I ask unanimous consent that this article be printed at the end of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

READING TESTS SHOW WIDESPREAD ILLITERACY

(By Eric Wentworth)

About one million American youths 12 to 17 cannot read as well as the average fourth grader and can thus be called illiterate, according to a new government report.

Reading test scores were worse among blacks than whites, boys than girls, and youngsters from low-income families with less-educated parents than those from more fortunate backgrounds, the report showed.

The report, released by the National Center for Health Statistics, provided new evidence that the United States has a serious literacy problem despite the more than $40 billion spent yearly on public school operations.

The report's findings were based on brief literacy tests administered to a selected sample of 6,768 youths from 1966 through 1970.

The tests were part of the national center's health examination survey, a major quest for data on Americans' physical and mental health. Later reports will explore links between illiteracy and health problems.

The sampled pupils were asked to read seven short paragraphs of 40 to 50 words and answer three multiple-choice questions on each. They were considered literate if they could give correct answers for four of the paragraphs.

One paragraph read: "It was spring. The young boy breathed the warm air, threw off his shoes, and began to run. His arms swung. His feet hit sharply and evenly against the ground. At last he felt free." The questions concerned the season of the year, what the boy was doing, and how he felt.

The 12-to-17-year-olds whose scores fell below what could be expected from the average child beginning fourth grade were considered illiterate. Fourth-graders are normally 9 years old.

After analyzing the test results, survey officials estimated that 4.8 per cent of the nation's nearly 23 million youths in the 12–17 age bracket extending all the way through high school grade levels, can be termed illiterate. That would amount to about 1 million young Americans.

More specifically, the report showed:

Among black youths as a whole, the illiteracy rate is 15 per cent. For white youths, it is 3.2 per cent.

For males of both races, the rate is 6.7 per cent while for females it is 2.8 per cent.

For black males alone, the rate is a dramatic 20.5 per cent, or one in five. On the other hand for white females alone, it is 1.7 per cent, or less than one in 50.

The report also showed, as might be expected, that illiteracy rates are highest among youths whose families rank at the poverty level, and decline as income levels rise, still, at least some youths from families with $15,000-plus income flunk the literacy test.

Similarly, young people are most often illiterate when their parents have had little education, according to the report's findings. Among black youths from families headed by someone who had no formal education at all, for example, more than 80 per cent are illiterate.

On the other hand, some illiteracy is also found among the offspring of white college-educated parents.

"Alarming and discouraging" was how Ruth Love Holloway, director of the U.S. Office of Education's "right to read" program, viewed the report.

OE's "Right to read" program, first announced in 1969 by the late James E. Allen, Jr. who was then U.S. education commissioner, has been sponsoring a number of innovative reading programs and disseminates information about those that prove successful.

Mr. BEALL. Mr. President, this kind of frustration, as I pointed out when I introduced the bill last March, resulted in a lawsuit by a teenager in California who is suing the San Francisco school district and the State of California for $1 million for graduating him from high school without learning to read. I ask unanimous consent that articles on this case be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. This concern is evidenced by the suggestion of Dr. Kenneth Clark that all subjects be suspended in the ghetto school for a year and that all such time be spent on bringing the children's reading up to grade level.

Mr. President, I am convinced that the disenchantment in our schools, to a large degree, has to do with the inadequate performance in the reading area. This is not to say that schools do not do a good job with the large majority of our young people. They do, but a technological society like our where only 5 pecent of the jobs are unskilled cannot tolerate massive reading problems such as I have just described. Welfare rolls, to mention one social cost, will increase unless we do a better job of teaching such youngsters to read.

The President has recognized the importance of reading by establishing the "right-to-read" program, which is charged with the responsibility of eliminating functional illiteracy by 1980. Under the able direction of Dr. Ruth Holloway, the right-to-read program is doing some extremely interesting and constructive work.

I will now proceed to discuss the special emphasis projects in some detail.

READING PROBLEMS—A PREVENTIVE APPROACH

The primary focus of the entire bill, as well as the special emphasis projects, is preventive. I believe that it is essential that we not only focus on reading problems, but also that we zero-in on the elementary years. I believe that prevention is more effective both in terms of education results and cost effectiveness than subsequent remedial efforts.

The special emphasis projects thus call for the teaching of reading to all elementary children in grades 1 through 3 by reading specialists. This is the real preventive aspect of the program and it is aimed at preventing reading problems from developing. It is designed to get all children off to a good start in reading.

In title I schools we know that reading retardation becomes greater with each successive year. I have talked with many teachers about the reading problem and, almost without exception, they advise me that it becomes increasingly more difficult, some say almost impossible, to remedy reading difficulties the longer we wait.

For grades 3 and above, the reading specialist would only be utilized for those children who are not reading at grade level or who are experiencing reading problems.

Also, an important responsibility of a reading specialist would be to administer or supervise the administering of the necessary diagnostic and screening tests to identify pupils who, for whatever reason, are having problems in reading.

VACATION READING OPTION

At the first sign that a child is falling behind in reading, there would be made available the option of attending a summer or vacation intensified reading program, again employing reading specialists.

Mr. President, the Nation through the Elementary and Secondary Education Act and other programs, has attempted to improve the education of disadvantaged youngsters.

Certainly that act has helped to identify and spotlight the massive education deficiencies of some of our schools. Unfortunately, we have not achieved the results to date that we have hoped for, although we have learned a great deal from our experiences. For example, we have found that we cannot spread the money among all of our schools and expect results; instead, we have found that better results are achieved when we concentrate such resources.

Also, districts that have emphasized academic programs have in general had better results. As a recent title I evaluation noted:

> Apparently there has been an over-allocation of supporting services and an under-allocation of academic services in Title I since the program's inception.

Headstart is another program which I strongly support. Interestingly enough, both in title I and the Headstart program "gains" that were produced often disappear. A study by Mr. Donald Hayes, of Cornell University, and Judith Grether, of the Urban Institute, indicate that the reading deficiency of disadvantaged children may be traced in part to the adverse impact of the summer vacation period.

These researchers found:

> Much of the difference between white and nonwhite can be traced to differential progress in reading and word knowledge during nonschool periods . . . put another way, the four summers between second and sixth grades produce a reading differential almost equal to the effects of five academic years. Month for month in 1965–66 the ghetto students were progressing at a rate 16 times as great during school as out of school. The upper-middle class student progressed at 3.5–4 times the rate in school as *out*. Students in all sets appear to learn while in school—it is when they are out of school that the important differentials appear. While in school the relatively rich white school children do barely better than the ghetto schoolchildren ([illegible]3 times as much progress per month in [illegible]965–66) but during the summer the relatively rich whites progress 6 times the rate of nonwhites.

This study, while certainly not conclusive, does add support to the summer school component of my proposal. Perhaps the study may help to explain the "loss" during summer vacation periods of "gains" realized in some of our compensatory education programs.

In the last Congress during hearings on equal educational opportunities, in a response to a question about my reading proposal, Mr. James F. O'Neil, of the State Board of Education for the State of Michigan responded:

> I particularly believe that the proposal to provide summer reading programs would be important, for this reason. Again, this latest study indicates that in the opinion of the report, that many children in the low socio-economic areas, lose more than others during the summer months, because of the social and economic advantages and the motivation in the homes. Therefore, it would seem that having funds for the summer program would be particularly important to overcome such a slippage as that and to determine, if this is occurring, whether such programs would prevent it. That particular aspect is something I would wholeheartedly support.

For elementary grades 3 and above, reading would be taught by a specialist only for those children who are not performing at grade level. Also, these children would continue to have available the summer school program.

The special emphasis projects then seek to prevent reading problems from developing, to identify them immediately when they do, and to provide for prompt remediation once such problems are identified.

At this point, I want to strongly emphasize that this proposal is not meant to, nor will it, minimize or downgrade the role of the regular elementary classroom teachers in reading. The reading specialists employed in this program will serve to introduce specialization and intensification of reading instruction to all children in project schools, but the classroom teacher will continue to carry out his or her reading responsibilities, although obviously there would be coordination between the classroom teacher and the reading specialist.

SPECIALIZATION IN READING

Admittedly, specialization in reading for all children at the elementary grade level is new, but specialization itself at the elementary level is not new. At the elementary level, specialists are often employed to teach music, art, and physical education. Unlike in some of these other areas utilizing specialists, the reading specialist will not supplant the classroom teachers' reading role.

All reading instruction would not be the responsibility of the specialist. The regular classroom teacher will continue his or her important responsibilities, but the reading specialist will supplement and intensify that effort.

Indeed, this proposal envisions substantial upgrading of elementary teachers in reading, particularly in grades 1 through 3. That is why I have included the training program to make this possible.

Mr. President, schools in a number of States, such as California, Michigan, Wisconsin and Missouri have been utilizing reading specialists with considerable success. Dr. Kiesling, of the Urban Institution, writing in the November 1972 issue of "Education and Urban Society," examines various hypotheses for effective programs for disadvantaged children. He found that—

> Minutes of instruction, especially those by the trained reading specialists, were constructively related to reading gains.

Continuing, he argues that in situations where the present system is failing, such as in many of our core cities:

> It might be efficient to substitute specialists's instruction for relatively large amounts of self-contained classroom instruction.

In his concluding comments, Dr. Kiesling says:

> It is widely believed, mostly on the basis of the reports of large national surveys, that compensatory education has failed. The findings of this study, which demonstrated modest average success and the possibility of very respectable gains in reading if diagnostic reading specialists are used for instruction, stand in partial contradiction to this.

Dr. Kiesling also cited what he called increasing evidence from research in compensatory education tending to support his findings. In discussing this literature, Dr. Kiesling states:

> Gussak (1970) discusses research which he feels gives rise to a reasonable hunch that instruction by diagnostic reading teachers is effective for disadvantaged pupils. Bissell (1970) has shown convincingly, in a careful analysis of the findings of many well-designed compensatory education research projects, that better learning rates are associated with the degree of external organization and sequencing of the child's learning experiences, hierarchical organization of objectives, directive teacher role and the nature and amount of program supervision and personnel training. These attributes are precisely those that are present with instruction by trained specialists especially so when the program is planned such that the regular classroom teacher and paraprofessionals are well coordinated to the specialists' activity.

From the discussion it is clear that the reading specialist's ability and leadership is critical to the success of this program. The reading specialist's role will be both challenging and difficult.

The reading specialist will be introducing specialization in the reading area for all elementary students as he or she provides instruction to all children in grades 1 and 2, and to all children who are reading below the appropriate grade level in grades 3 through 6.

In addition, reading specialists will be teaching those children who participate in the summer intensive reading program.

But, the reading specialist's responsibilities extend beyond the teaching function as important as this is. The reading specialist, as envisioned in this proposal, is expected to provide strong leadership for and coordination of the reading program at his or her school. The reading specialist will also administer or supervise the administering of diagnostic testing and screening.

Further, the reading specialist will be a resource person, helping the elementary classroom teachers grow and improve their instruction of reading in the regular class and will help develop additional reading specialists. For those schools who will participate in the public television reading courses for teachers, authorized by the reading title, the reading specialist is expected to lead followup discussions after the media presentation of the course within the school. Finally, the reading specialist is expected to, in effect, be a salesman for reading, helping to instill in the faculty and students the overriding importance of this subject and a burning desire on the part of the teacher and student alike to improve the reading performance of that school.

I have included a definition of "reading specialist" and "reading teacher" in the bill. Experts with whom I consulted cautioned me that the intent of the program could be frustrated if qualified individuals were not attracted, particularly in view of the importance of the specialist in this program. On the other hand, if I made the requirement too strict, there may not be adequate numbers of reading specialists.

A "reading specialist" is defined as an individual who has a master's degree, with a major or speciality in reading, from an accredited institution of higher education and has successfully completed 3 years of teaching experience which includes reading instruction.

This is essentially the definition of the International Reading Association, a professional organization active in the upgrading of reading instruction.

The term "reading teacher" means an individual with a bachelor degree, who has successfuly completed a minimum of 12 credit hours, or its equivalent, in courses of the teaching of reading at an accredited institution of higher education and has succesfully completed 2 years of teaching experience, which includes reading instruction.

Realizing that there may not be adequate reading teachers or specialists, I have provided sufficient flexibility in the defintions so as to allow a reading teacher to be utilized in lieu of a reading specialist and a regular teacher for a reading teacher, provided such teacher is enrolled or will enroll in classes to meet the higher requirements. I would emphasize, however, that these definitions are only for the purposes of this program.

It is clear that the legislation envisions a major upgrading of professional qualifications in the reading area, particularly in project schools. The bill also will encourage institutions of higher education to give greater emphasis to reading in the preparation of elementary teachers and reading specialists. The goal is to have all elementary teachers in project schools become reading teachers. To accomplish such a goal, it is obvious that a massive retraining effort will be necessary. Some school systems are recognizing this need and an effort is already underway.

For example, the Baltimore city school system found it necessary to give all 8,000 teachers some additional training in the reading area.

As unbelievable as it sounds, it was possible until very recently for teachers to teach reading without a single college course in reading or reading methods. For example, in my State of Maryland, prior to 1972, the only requirement was one single course in language arts. This in general seems to have been the case in most States in the country, for as a study, "The Information Base for Reading" by the Educational Testing Service of Berkeley, Calif., observed:

"In 1960, as in 1970, the most frequent requirement for certification as a regular elementary teacher or secondary teacher was one course in reading and/or language arts."

The Library of Congress at my request, completed a survey of the 50 States to determine their requirements for the regular elementary teacher and the reading specialist. I ask unanimous consent that this chart be included at the end of my remarks.

Mr. BEALL. Mr. President, Professor Roeder, Eller, and Beal of State University College, Fredonia, N.Y., had the following to say with respect to the preparation of teachers to teach reading:

"To the already voluminous number of reasons suggested for Johnny's inability to learn to read, the authors would like to suggest one more—perhaps Johnny is experiencing difficulty in learning to read because many of his teachers have not been adequately prepared to teach reading. In fact, the majority of Johnny's teachers have no doubt spent more time in college gymnasiums learning to play volleyball and similar games than they have spent in college classes learning how to teach reading. . . . Unfortunately, when a neophyte teacher is graduated from an accredited institution and awarded state certification, it is often assumed that he possesses at least a minimal understanding of how to teach reading. Nothing could be more remote from reality! . . . As a matter of fact, one of the authors received his baccalaureate degree in elementary education from an institution which required such courses as: Industrial Arts (3 hrs.), Music Methods (6 hrs.), Arts and Crafts for Classroom Teachers (6 hrs.), Physical Education (3 hrs.), and Marriage and Family Relations (3 hrs.). Consequently, when he embarked upon his professional career, he was prepared to teach his fifth graders how to swim, sing, make puppets, build birdhouses, play volleyball, settle family arguments, and weave baskets. Unfortunately, he was not prepared to teach his students how to analyze words, comprehend printed materials or critically evaluate textbook selections. Somehow, his alma matter had let him down; it had disregarded the most important R—Reading. Although he had fulfilled all the requirements for graduation and state certification, he—and his contemporaries—were never required to complete a course in the teaching of reading."

Mr. President, there are three sections of the reading title designed to improve and upgrade the teaching of reading in the country.

First, section 705, "Grants for institutions of higher education." This section authorizes grants to institutions of higher education for the purpose of planning and implementing programs to strengthen and improve graduate and undergraduate instruction in the teaching of reading and the cooperative programs with State and local educational agencies.

Second, section 706 authorizes grants to States to strengthen existing certification requirements. Hopefully, this will result in an increase in the course requirements in reading for future elementary teachers so that such graduates will meet the requirements of a reading teacher.

TELEVISION TEACHER TRAINING

Section 704 authorizes the Commissioner of Education to make arrangements for the preparation and production for viewing on public television of reading courses for elementary teachers and reading specialists. In addition, a study course guide would be prepared for use in conjunction with the television instruction.

The great potential of television for educational purposes has been demonstrated by such shows as Sesame Street and Electric Co. Also, college courses have been successfully offered over television. My State of Maryland is doing some imaginative and innovative work in this area.

One frequent difficulty with many of the television courses is the times at which such courses are offered. Sunrise is obviously not the best hour for our citizens. I have tried to draft this bill, not only to tap the best available talent to produce the courses, but equally important to encourage the offering of such courses at hours that are convenient to the teachers.

This provision envisions the outstanding reading experts in the country combining their talents with experts in the utilization of the communication media for educational purposes to produce first-rate courses [illegible] may be used by any interested school systems.

While I want to see the courses available to all reading emphasis projects and schools and school systems everywhere, the legislation requires that the Commissioner give priority in selecting the urban districtwide project to applicants which can show—

First, that the State and local educational agencies will give credit for the television courses and encourage participation by the district's teachers;

Second, that the local television station will offer such courses at hours convenient to the teachers. It is hoped that the time of viewing will enable all the elementary teachers to view the program as a group so as to enable follow up discussion led by the reading specialists; and

Third, that the local education agency will make arrangements with the colleges and universities so that academic credit will be given for the completion of such courses.

CENTER FOR READING IMPROVEMENT

The educational centers and labs previously funded under the Cooperative Research Act have been transferred to the National Institute of Education.

The Institute has been evaluating the present educational laboratories and center programs. I have examined some of the programs of the centers and labs and I must say that none of their work, in my judgment, compares with the importance of reading for our society. I believe that reading certainly should at least have one center or lab that is devoting full time to this problem.

Thus, under section 705 of my proposal, the Director of the National Institute of Education, through the Institute and the Center for Reading Improvement, would conduct or support research and demonstration in the field of reading, including, but not limited to the following areas:

First. Basic research in the reading process. The case for accelerated research and development efforts in the reading area is made by the massive reading problems facing the country. We certainly need to learn more about the reading process and how children learn to read. This is an exceedingly complex and difficult area, but its difficulty is exceeded only by its importance. So, I hope that basic research in the reading process will be pursued.

Second. That most effective method or methods for the teaching of reading. The debate on how to teach reading in the country has been going on for over a century with the propnents of the phonetic and look-see approach enjoying popularity at different times. Until educational research resolves this question, it would seem prudent that we make certain that our teachers know the main alterntives and techniques and when and how to employ special techniques of instruction.

Third. Improved methods for the testing of reading ability and achievement. There is a need to improve our techniques for testing reading ability and achievement. There is already some interesting work going on as evidenced by the Education Commission on the States' national assessment of educational processes, and also the work in my State on criterion-reference tests.

Fourth. Development of model college courses in reading for personnel preparing to engage in elementary teaching or for elementary teachers who are or intend to become reading teachers or reading specialists.

Fifth. The development of techniques for the diagnosis and correction of reading disabilities. Throughout the last decade surveys both among those training to become teachers and those in teaching, have indicated that both groups believe that inadequate preparation was given in diagnosing and correcting reading problems of pupils.

The educational literature during this same period also emphasized the need for this approach. But as the Education Testing Service observed:

"In spite of such widespread exhortations, the requirement for teachers' education and certification have shown no subsequent change according to the surveys in 1960 and 1970."

Sixth. The development of model reading programs for elementary school children generally, and special model reading programs for elementary schoolchildren who are educationally disadvantaged, or handicapped.

During 1960's there was considerable concern with respect to teaching of science in high schools. As a result, a study was undertaken by the National Science Foundation and a model textbook for physics was developed. It is my understanding that this was very well accepted and has been credited with substantial upgrading of the instruction of physics in the United States. I believe we should attempt a similar effort with respect to the development of a reading curriculum for pupils in the early elementary grades.

Seventh. The use and evaluation of education technology in reading, and

Eighth. The evaluation of educational materials in reading. P. Kenneth Komoski, president of the Education Product Information Exchange Institute, indicated a conservative estimate of the education material being marketed to the schools is over 200,000 items and that this production has increased twenty-fold in the last two decades. There are also numerous materials specifically on the teaching of reading, providing teachers with many options and alternatives in the selection of teaching materials. Mr. Komoski points out that less than 10 percent of the education materials have been field tested and only approximately 1 percent have been subjected to learner-verification techniques.

PRESIDENTIAL READING AWARDS

Finally, my proposal would establish Presidential awards for reading achievement. There will be two types of awards, one for elementary students and one for elementary schools.

The student award would consist of an emblem to be presented to elementary students for achievement in reading, as defined by the Commissioner of Education.

The school award would be a pennant, or other appropriate recognition, for schools achieving reading excellence, as defined by the Commissioner. The student and school awards will be of such design and material as the President prescribes.

I would hope that the President, before deciding on the design and material for the award, would consult with the education community and provide both the education community and the public with an opportunity to make suggestions for the award. Perhaps, it would be worth considering a national competition for the design of such awards, but I have not specified this in the statute itself.

Mr. President, in 1955 President Eisenhower was presented with evidence regarding the physical fitness of American youth. The President was told that 58 percent of the American children failed on one or more of six basic tests for muscular strength and flexibility as compared to only 9 percent of the Western European children.

As a result, President Eisenhower established what is now the President's Council on Youth Fitness and Sports. School fitness programs were developed for our youth, including a screening test for young children to identify those most in need of help. A seven-part test was devised and standards were set for each item for each age group. The program was adapted by schools all over the country.

The President's Council on Physical Fitness has said that physical fitness of our youth has improved substantially. Since 1961, there has been a 32-percent gain in the proportion of children passing the physical fitness test from 60 to 80 percent.

In general, after 5 years of using the test, the performance of our youth has improved in all fitness areas.

Similarly, competition among schools in athletics fosters competition and excellence in sports. In addition, it tends to elevate the importance of athletics in the minds of students. I believe that the Presidential student awards envisioned will encourage interest and motivate elementary students in reading. Also, the school competition would underscore the importance of academic excellence in this the most important subject area at the elementary level.

This program will follow the successful physical fitness program and the only costs involved are some administrative expenses.

CONCLUSION

Mr. President, the reading proposals recommended to the Senate are the result of considerable study and good hearings. It addresses what I regard as the Achilles' heel of education, the massive reading problem of schools having large numbers or high concentrations of children reading below grade level.

It places a priority on the early elementary years through the use of reading specialists to intensify and supplement the regular classroom reading instruction. In effect, it gives the students a double dose of reading to prevent the educational-limiting and career-crippling handicap of the inability to read.

Mr. William Raspberry, in his column in the February 19 Washington Post, commented on the suggestion that subjects be suspended in ghetto schools for a year to concentrate on raising reading performance, as follows:

"Since you can only play at teaching history to children who can't read, why not stop playing and teach them to read?"

Mr. President, I can assure you that this bill aims at preventing such playing and contemplates a serious and concentrated attack on the reading problem. Its goal is "to teach them to read." In fact, it adopts the ambitious goal of having all children in reading emphasis project schools reading at grade level by the end of the third grade.

While this proposal will not be a panacea for all of the reading problems, I believe there is considerable evidence that this approach can and will make a substantial difference. The reading problem is so big and its solution is so important that I hope my colleagues will join me in enacting the reading improvement title of the pending measure. Its enactment will be a giant step toward preventing or reducing reading problems. A society where technology and education are so important, and where only approximately 5 percent of the jobs are unskilled cannot allow the dangerous conditions to continue where massive numbers of children lack the ability to read which affects both their capacity to learn and to earn.

I had the pleasure of serving on the National Commission on the Financing of Postsecondary Education. This Commission has issued its report and recommendations, which, in general were well received. This commission studied the ways and means to provide the opportunity for the financing of higher and technical education for all students. But, it will do us little good to guarantee that financial barriers will not prevent students from postsecondary education and training if the students are not capable because of educational deficiencies, the most important of which is reading, to take advantage of these opportunities.

For, Mr. President, equal opportunities begin early. The reading title's significance may be more important than the report of the Postsecondary Education Commission, as important as that is. This comment is not meant to detract from that report which I believe will be most important in determining future higher education policies in the country; but this proposal, after all, seeks to make the opportunity for higher education or technical education possible by not only reaffirming that children have the right to read, but also helping to assure that they will, in fact, be able to read.

Nondepartmental Witnesses

Elementary and Secondary Education

STATEMENT OF DR. HAROLD HERBER, CHAIRMAN, COMMISSION ON READING, NATIONAL COUNCIL OF TEACHERS OF READING

NATIONAL READING IMPROVEMENT PROGRAM

Senator **Eagleton**. Today, we will hear testimony from nondepartmental witnesses who wish to address the education budget. The subcommittee recently completed hearings with HEW officials and heard their rationale and the rationale of OMB of making some drastic reductions in support.

Now, we will hear from those in the field who have made these programs work.

The first witness we will hear from is Dr. Herber, chairman of the Commission on Reading.

Dr. Herber, if you will come forward. We welcome you and you may proceed.

Dr. **Herber**. Mr. Chairman, the purpose of my testimony is fourfold: generally to support the appropriation of funds for elementary and secondary education during fiscal year 1976 as authorized by the Education Amendments of 1974; specifically to support the funding of the national reading improvement program, title VII of the legislation; and to identify obstacles implicit in the legislation which can prevent attainment of the objectives for the national reading improvement program; to suggest ways in which these obstacles can be eliminated by specific focus of the appropriations for this legislation.

The legislation that produced the national reading improvement program is very significant. First, it demonstrates awareness by Congress that the reading competence of the populace is a matter of national concern. Second, it supports the view that development and maintenance of a literate populace generation after generation requires constant attention, not being a problem that occurs once, can be treated once, and then is resolved forever.

Third, it acknowledges that the development and maintenance of generations of literate citizens requires well-funded programs with clearly defined objectives.

Debating the adequacy of the funds authorized for the national reading improvement program would be obviously unproductive, since the legislation already has been passed by Congress. But, as you might suspect, many persons responsible for raising students' reading achievement would like to debate that point. In the National Council of Teachers of English it is even hesitant to make blanket recommendations that urge full appropriations of the authorized.

We are aware that you must establish priorities among many demands for Federal money, but we are unaware of many factors you must take into account when deciding how to distribute the limited amount available.

However, we believe it would be useful for us briefly to point out significant implications in the legislation creating the national reading improvement program and thus establish some criteria which you might use to establish priorities for appropriations.

The focus for funding in the national reading improvement program is to be "in schools having large numbers of children with reading deficiencies." That is as it should be, but some may feel justified in drawing the inference that schools with a low incidence of reading deficiency consequently require little or no reading help in reading programs. Such an inference is incorrect. Reading is a developmental process and instruction in reading is profitable for students at all levels of sophistication.

SPECIAL ATTENTION TO BASIC SKILLS OF LITERACY

Obviously, we should give special attention to those students who lack the basic skills of literacy. But while doing so, we must not overlook the need for finding ways to increase our efficiency in helping all students build on their basic skills as they progress through school.

Part A of the national reading improvement program provides for reading instruction at preelementary levels, as well as elementary. Part C provides that reading specialists will give reading instruction to all students in grades 1 and 2, with such instruction by specialists continuing from grades 3 to 6 for those students who still have reading problems at those grade levels. We support these provisions in the program but, again, we are concerned with respect to the inferences that have been drawn.

We know that providing reading instruction during the early years when students are learning the beginning reading process is of special importance to the development of their later reading competence. We also know that there are students who, for any number of reasons, do not develop competence commensurate with their ability in the early grades and thus need special instruction as they progress through the grades.

However, by limiting the continuing instruction only to those students who have special needs, there is an implicit assumption that reading skills obtained at the early grade levels are sufficient for most students' academic needs throughout the remainder of their schooling. There is ample evidence to indicate that such is not the case.

Continued reading instruction is needed for all students so that at each successive grade level they learn to achieve at their full potential. Focusing on reading instruction for its own sake in special reading classes limits opportunity for instruction of all students in how to apply their skills to reading tasks required of them in the various subject areas through the grades. Evidence is continually accumulating to support the position that when reading instruction accompanies the study of the subject matter in various curriculum areas, students' reading skills are both developed and enhanced.

This recommendation for continued reading instruction suggests specific needs with respect to teacher training. Part C of the legislation deals with teacher training, but such training is focused on the development of reading specialists and reading teachers. Such training has great value but also great limitations.

Obviously, to provide instruction for those students with special learning needs with respect to reading, teachers must have specialized skills. Hence there is logic in the training of specialists.

But since it is also true that there is equal value in providing reading instruction within the various subject areas to help students develop the sophistication necessary to deal with increasingly difficult material, then it is necessary to provide training for the regular classroom teachers to enable them to provide such instruction.

Both part C and part B of the legislation allow for the training of classroom teachers if one interprets the legislation broadly enough. Again, we recommend that in your appropriations you specify that training be given to regular classroom teachers so they can serve the students' reading needs within each subject and across grade levels.

The legislation for the national reading improvement program focuses almost entirely on instructional provisions for preschool and elementary grades. This obviously is the level at which instruction should be started, receiving the heaviest concentrations of effort. But, again, there is a misleading implication with respect to the reading needs of our students.

We strongly believe, as already indicated, that reading is a developmental process. What students learn in the early grades with respect to reading is not sufficient to help them meet the challenges imposed by materials required at the upper grade levels. There is ample evidence to indicate that even where there are strong and successful elementary reading programs, students in the upper grades require further training to meet the challenge of the required texts in their various subjects.

Further, there is evidence to indicate that even students who are receiving special training in reading classes experience difficulty when faced with reading assignments in their various subjects. The skills that they learn in a separate reading class are not transferred adequately and applied to the reading required of them in these subjects. Various studies indicate that when subject area teachers include instruction in how to read assigned materials in their curriculum along with instruction in the content of those subjects, students' reading achievement is significantly increased. When such instruction is provided, moreover, the reading needs of all students are met rather than a selected few.

The efficiency of such instruction should be clear to all who consider it. It is manifestly more efficient to teach reading in the context where the reading is required than in a context that is separated from the requirement.

Further, it is more economical to train teachers already on staff, as subject area teachers are, so they can deal with the entire student population than to employ many additional personnel to teach a selected number of students in separate reading classes, leaving the majority of students unserved. There is increasing evidence to indicate greater economy when the reading specialist works closely with several subject area teachers in a training program, developing their skills in teaching reading, than when the specialist spends all of his time with special reading classes.

This does not suggest that one should do away with extra reading instruction for students with special needs, but it does state that more students need instruction than receive it in the special classes. Therefore, we add to our earlier recommendation that in your appropriations for funds for the national reading improvement program, you specify that provision should be made for reading instruction to be given within the various subject areas, and we urge that secondary grade levels be included.

Since the legislation for the national reading improvement program does not expressly forbid such provisions, it is our judgment that these appropriations would be consistent with the spirit of the legislation.

In summary, then, we urge the appropriation of funds to support and focus on early reading instruction for all students and special reading instruction for poor readers, as designated in the legislation.

However, we urged that through your appropriations you include support for assuring the continued development and maintenance of the reading skills that have been learned at these early grades. This can be done by providing means for reading instruction to be given for all students, in all subjects, at all grades. This could be done by including provisions for the training of subject-area teachers as well as for the reading specialists, and by including the secondary grade levels as well as the elementary and preelementary.

We believe that such adjustments in the national reading improvement program, through your appropriations, will enhance the quality of the program, raise the level of students' reading achievement throughout their years of formal education, and produce citizens who are able to deal adequately with information and ideas that confront them in the printed medium.

I thank the committee and you, Mr. Chairman, for the opportunity to express the views of the National Council of Teachers of English. We hope that our opinions will be useful to you as you make your important decisions.

Thank you very much.

Senator EAGLETON. Thank you, Mr. Herber. Your testimony will be very helpful to us, and I agree with practically all that you have said in your presentation.

When the authorizing legislation was originally drafted, it included both elementary and secondary education and adult education, so far as reading improvement was concerned, but in order to arrive at a bill that could be passed, we concentrated our focus on preventive techniques, as it were, rather than remedial, and I admit that this is a shortcoming in my own judgment, and hopefully sometime in the future we can rectify that.

In my prepared testimony which I put in the record, the recommendations that we made insofar as appropriations were concerned was, what, $10 million for part A, which is the training of classroom teachers, and not limited solely to specialists and I think that jibes very much with your recommendation.

You say here on page 6 of your testimony, "There is increasing evidence to indicate greater economy when the reading specialist works closely with several subject area teachers in the training program, developing their skills in teaching reading than when the specialist spends all of his time with special reading classes," and that concept is really the thrust of part A, and we thoroughly agree with it.

So that the record is clear, I have this question for you. So that the record is clear, how much money do you think can be used effectively this year? Your testimony does not get into the specifics of dollars. Have you given any thought in terms of dollars and specific appropriation levels?

Dr. **Herber**. In my understanding the legislation was that for A and B, $82 million was authorized for fiscal year 1976. Senator Beall, I believe, was referring to $25 million for the total national reading improvement program, which would be considerable reduction in the amount authorized.

Senator **Eagleton**. As you appreciate, Congress very often does not appropriate always the full authorized amount. In fact, it is commonplace that it does not. Senator Beall's figure, I think, was $25 million. Ours was $25 million.

Would you agree that that would be a respectable beginning on the problem?

Dr. **Herber**. I believe so, sir, particularly if the emphasis is such that through your appropriations it made it possible for the extension of the programs into the regular subject area classrooms, because I think as I have made the point here, it is very important that we deal with the needs of our students in each grade level and across grades so that we will not lose in what we gain in early reading instruction.

Senator **Eagleton**. I concur. Under the legislation, I believe there was—HEW was to develop some regulations and some guidelines. How long, in your opinion, should it take for HEW to develop those guidelines?

Dr. **Herber**. It is hard for me to judge, not having been involved in the development of guidelines over any period of time. I would say that I would hope that they would take time to seek advice so that we would have this kind of concept based in their thinking and it would be incorporated in the guidelines, so that rather than focusing entirely on remediation or just prevention, there would be this maintenance and development in the subject areas.

Senator **Eagleton**. Thank you very much, Mr. Herber. We appreciate it.

Dr. **Herber**. Thank you.

Impact Area Aid

STATEMENT OF DR. RICHARD TRIPLETT, SUPERINTENDENT, BELLEVUE, NEBR., PUBLIC SCHOOLS

ACCOMPANIED BY DR. WAYNE PAXSON, ASSOCIATE SUPERINTENDENT

PREPARED STATEMENT

Senator **Eagleton**. The subcommittee will now hear testimony on the question of impact area aid. We have with us Dr. Triplett from Nebraska who has a statement on this subject.

Doctor?

Dr. **Triplett**. Mr. Chairman and distinguished member of the subcommittee, I am Richard Triplett. I am superintendent of schools at Bellevue, Nebr. Accompanying me is Dr. Wayne Paxson, the associate superintendent of our school system.

We do have a prepared statement, and we would like to have that statement entered into the record.

Senator **Eagleton**. Yes, the entire statement will appear in the record.

[The statement follows:]

Mr. Chairman, distinguished members of the sub-committee: I am Richard Triplett, Superintendent of Schools at Bellevue, Nebraska. Our school system serves federally-connected children from Offutt Air Force Base and the Strategic Air Command Headquarters and the civilian segment of the Bellevue School District. I am also Chairman of the National Council of Federally Impacted School Districts, an organization which Battelle, in its study, identified as being prisoners of the federal government. The degree of dependence upon PL 874 by these districts is so high that Battelle proposed that they be handled separately in the program; a recommendation which has never been followed by the Congress.

Battelle identified approximately one hundred school districts, about 2% of total applicants, for which "special ground rules should be established ---". Battelle also stated, "The Commissioner of Education should be given increased authority to deal on a case by case basis with special impact situations". Battelle followed with the recommendation that current "special provisions - that as often as not result in economically unjustified payments -- be dropped in favor of a broader authority (with a limited appropriation) for the Commissioner to act in circumstances where a burden is created that does not fall within one of the assistance categories ---".

I fully understand that changing the authorization language is not a responsibility of this committee. I use the Battelle report merely to point out the complexities of attempting to deal equitably with highly impacted districts when funding is reduced below entitlement.

As an example of a highly impacted district I would like to use my own district which, with 10,500 pupils enrolled, is the third largest of the 297 K-12 school districts in Nebraska.

Of any five pupils chosen at random at Bellevue, four will be dependents of those employed at Offutt Air Force Base or at SAC. Two of these four will live in on-base housing, the other two will reside in private housing. The parents of all four will have the privilege of sales tax-free shopping on base, licensing their automobiles and mobile homes in their state of residence and paying their state income tax to their home state. The place of employment of the parents of the four federally connected pupils and the personal property located there is not subject to local taxes.

The fifth student will have parents who are not connected with the federal installation.

The net result is that the school district has the lowest tax base of any of the other 297 K-12 school districts in Nebraska, a local mill levy at least double the average of the state and an expenditure per pupil about 80% of the average. This is typical of highly impacted districts throughout the nation. Highly impacted districts which serve military installations are not the so-called wealthy districts that have been so strongly condemned for receiving PL 874 funds. I would point out that nowhere in the authorization language is wealth of a district mentioned as a criterion for eligibility.

I would like to address myself to the education appropriation for Fiscal Year 1976 as it pertains to assistance to federally impacted schools. This program of assistance, established in Public Law 81-874, was modified and extended by passage of the Education Amendments Act of 1974.

By its actions, in passing the original authorization law in the 81st Session, and in passing the Education Amendments Act of 1974, the Congress recognized this need and made a commitment to federally impacted schools and the children they serve.

The Congressional commitment should be fulfilled by an appropriation which is sufficient to fully fund all of the provisions of the present authorization law. This law is not a social program but is designed to be funded on a formula basis as a replacement for lost taxing ability and should be treated differently from the rest of the educational programs.

It has been a number of years since Congress fully funded impact aid, although it did so during the first 18 years of the program. The result is that many impacted schools, especially those which are heavily impacted, have not been able to maintain educational programs for children which are comparable to those in districts where tax valuations and revenues are not affected by federal impaction.

It is also especially important that the Congress appropriate funds for FY 1976 under provisions of the authorization law and not by the mechanics recommended in the administration's budget proposal. This recommendation - which the administration contends would reduce federal assistance to schools where it is alleged there is less need - would seriously affect the fiscal stability or solvency of schools which are heavily dependent upon federal assistance. No where in the administration's proposal is there the slightest indication that the funds would be allocated to those districts with greatest need. In fact, the term "need" is not even defined.

Whereas, in the Education Amendment's Act of 1974, those states with strong equalization programs, which in effect define need, are allowed to take into account the PL 874 payments; thus reducing the state payment; which, in turn, diverts some portion of the PL 874 funds to the state as a replacement for the lost taxing ability of the state. This is a good law, a fair law, and when compared with the maze of other federal educational legislation stands out as a shining light of economy and efficiency of administration.

I would like to point out the inequities that occur when sharp reductions are made in PL 874 funding. Let's look at the five pupils again, first the one pupil who is not federally connected, second the two pupils who are federally connected but live off-base, the "b" category, and third, the remaining two pupils who live on-base - the "a" category.

When sharp reductions in PL 874 occur, the district may reduce its staff, increase the local tax levy, or it may do both in order to compensate for the lack of funds. If it chooses to raise the local tax levy, who pays for the increase? The answer is; The non-federally connected family, the commercial property owners and the two "b" families. No effect is felt by the "a" families who make up 40% of our school patrons. Thus, when the tax rebate is received which was recently authorized by the Congress, the non-federally connected family and the "b" families must immediately allocate the rebate to payment of increased school taxes. The (a) families may find other uses for it. As a result, the pressures for increased on-base housing, to escape local taxes will be exerted upon the military establishment by the "b" families. If accomplished, this will bring in more federally connected pupils for whom inadequate funding will be provided, both for operations and construction. If additional on-base housing is not provided, the pressure will then be made to increase the housing allowance for the "b" families. These kinds of inequities result from prorated appropriations.

The administration's recommendation would reduce our operating revenue by $852,000 less than our entitlement under current authorization in the coming school year. To make up such a loss in revenue, we would have to eliminate 85 teaching positions or levy an average of more than $200 in additional property taxes on every home in the Bellevue School District.

Our entitlement for 1975-76 under the current legislation should be approximately $4,126,600. This represents about 40 percent of our total operating budget.

If Congress funds the present authorization law only through the first tier, our district will lose $867,300 of our entitlement. If the appropriation is sufficient to fund only through the first and second tier, our district will lose $470,430. Thus, funding only through the first tier has about the same effect on our district as would the adoption of the administration's proposal.

These amounts may not seem large in a day when debate usually focuses upon billions of dollars. But in the Bellevue School District $800,000 or $470,430 are tremendous amounts when subtracted from a $10.5 million budget that is already far below the average of the state and of comparable districts.

It is my understanding that another alternative to the impact problem has been proposed; that of delaying for one year the implementation of the Education Amendments of 1974 as they relate to PL 874.

From the standpoint of highly impacted districts, this is surely a better alternative than the administration's proposal, provided that sufficient safeguards are provided in the hold-harmless provisions. The equitable solution is to provide full funding for the present authorization.

Due to inflationary increases, we are planning to reduce the staff for next year regardless of the level of funding for PL 874. Further reductions caused by pro-rated PL 874 funding or adoption of some form of the administration's proposal could cause a financial crisis similar to that of several years ago when our district closed until a supplemental appropriation was made.

In the event that PL 874 cannot be fully funded under whatever authorization language ultimately prevails in the Congress, I propose the following:

Continue the practice of placing levels of funding in the appropriation bill.

(a) 100% for 25% impaction when the district's entitlement for the prior year equals at least 10% of the budgeted receipts for the prior year. Percent of impaction is to be calculated by adding the number of "a" pupils to one-half the number of "b" pupils and dividing the sum by the total enrollment.

(b) 90% for the remainder of "a" pupils

(c) A percentage for "b" pupils and public housing pupils depending upon the total appropriation.

Such a provision requires only a slight increase in the current level of funding and would do much to ease the problems of highly impacted districts.

On another matter, it is important that Congress increase the appropriation for Public Law 81-815. Our district has not received construction funds for several years because the PL 815 appropriation has been insufficient to fund our applications, even though we have approximately 2,000 "unhoused" federal pupils which qualify under approved applications. The opening this year of an additional 150 Capehart housing units in the Bellevue School District will further complicate our efforts to provide classroom space for federal students.

Last year, the Congress increased the PL 815 appropriation by one million dollars. At the time, the Senate Sub-Committee's report acknowledged that the appropriation was insufficient. The report said, and I quote: "The Committee urges the Department (of HEW) to consider an increased request for PL 815 funds so that more funds can be used to fund those school districts which primarily serve military installations. Many of these districts have had applications pending before the Office of Education for several years. Appropriations in recent years have not been sufficient to reach their applications. This has placed severe financial pressures on the school construction programs of these districts. Therefore, the Committee intends that a special effort be made to assist these hard-pressed districts". The administration's request for this program is also wholly unrealistic.

I hope the Congress follows through on this intention to resolve a growing school construction problem in many impacted districts. There already has been such a delay in funding applications that inflation has seriously reduced the amount of construction that can be accomplished with the funds.

Again, I urge the Congress to recognize the need for full funding of PL 874 and increased funding for PL 815.

Thank you.

SUPPLEMENTAL REMARKS

Dr. TRIPLETT. We would also like to make a few supplemental oral remarks in addition to that statement.

Our school system serves federally connected children from Offutt Air Force Base and the Strategic Air Command Headquarters and of course the civilian segment of our school district.

I also serve as chairman of the National Council for Federally Impacted Schools, an organization of schools which Battelle, in its study, identified as being prisoners of the Federal Government, and the degree of dependence upon Public Law 81-874 by these districts is so high that Battelle proposed that they be handled separately in the program, a recommendation which has never been followed by the Congress.

I fully understand that changing the authorization language is not a responsibility of this committee, and I refer you to the Battelle report merely to point out the complexities of attempting to deal equitably with the highly impacted districts when funding is reduced below the entitlement.

As an example of a highly impacted school district, I would like to use our own district which has 10,500 pupils enrolled and is the third largest of 297 K-12 districts in Nebraska. Due to the Federal impaction, the net result is that the school district has the lowest tax base of any of the other 297 K-12 districts in Nebraska, a local mill levy at least double the average of the State, and an expenditure per pupil about 80 percent of the average, and I might add that this is a typical situation for highly impacted school systems across the Nation.

I would like to address myself to the education appropriation for fiscal year 1976 as it pertains to assistance to federally impacted schools. The program of assistance established in Public Law 81-874 was modified and extended by the passage of the Education Amendments Act of 1974. The renewal of this congressional commitment should be fulfilled by an appropriation which is sufficient to fully fund all of the provisions of the present authorization law. This law is not a social program but is designed to be funded on a formula basis as a replacement for lost taxing ability and should be treated differently from the rest of the educational programs.

It has been a number of years since Congress fully funded impact aid, although it did so during the first 18 years of the program. The result is that many impacted schools, especially those that are heavily impacted, have not been able to maintain educational programs for children which are comparable to those in districts with tax evaluations and revenues not affected by a Federal impaction.

It is also especially important that Congress appropriate funds for fiscal year 1976 under the provisions of the authorization law and not by the mechanics recommended in the administration's budget proposal. The administration's recommendation would reduce our operating revenue by $852,000 less than our entitlement under current authorization in the coming year.

To make up that loss in revenue, we would have to eliminate approximately 85 teaching positions or levy an average of more than $200 in additional property taxes on every home in our school system. Our entitlement for 1975-76 under the current legislation should be approximately $4,126,000. This represents approximately 40 percent of our total budget.

If Congress funds the present authorization law only through the first tier, our district will lose $867,000 of entitlement. If the appropriation is sufficient to fund only through the first and second tier, our district will lose $470,000. Funding only through the first tier has about the same effect on our district as would the adoption of the administration's proposal.

These amounts may not seem large in a day when debate usually focuses upon billions of dollars, but let me assure you, in the Bellevue School District $800,000 or $470,000 are tremendous amounts when they are to be subtracted from a $10½ million budget, a budget which is already far below the State average and comparable school systems.

It is my understanding that another alternative to the impact problem has been proposed, that of delaying for 1 year the implementation of the Education Amendments Act of 1974. From the standpoint of highly impacted districts, this is surely a better alternative than the administration's proposal, provided that sufficient safeguards are provided in the hold-harmless provisions. The equitable solution, again, is to provide full funding for the present authorization.

Due to inflationary increases, we are planning to reduce staff this next year regardless of the level of funding for Public Law 874, and further reductions by further prorating this particular piece of legislation could cause a financial crisis similar to that of the one that we experienced several years ago when the district had to close until a supplemental appropriation bill was made.

In the event that Public Law 874 in Congress cannot be fully funded, we do have a suggestion, one which we would like to propose at this time. We would like—we feel that the Congress should continue to follow the practice of placing levels of funding in the appropriation bill, and I might suggest that the 100-percent funding for a 25-percent impaction when the district's entitlement for the prior year equals at least 10 percent of the budgeted receipts for that prior year.

Percent of impaction should be calculated by adding the number of A pupils to one-half the number of B pupils and dividing the sum by the total enrollment; 90 percent for the remainder of the A pupils; and a percentage for B pupils and public housing pupils, depending upon the total appropriation.

Such a provision requires only a slight increase in the current level of funding and would do much to ease the problems of highly impacted districts.

Senator **Eagleton**. Can I ask you there, Dr. Triplett, would this committee have authority to, as it were, tamper with the formula, in your opinion, along the lines that you have suggested?

Dr. **Triplett**. This is about the same approach that this committee has used in prior years to modify the authorization legislation and providing some protection for the A students in school districts where there is a 25 percent or more impaction of A category students. It is the same approach.

Senator **Eagleton**. But do we not have a new formula as a result of the 1974 act?

Dr. **Triplett**. That is correct although there is an effort being made at the present time to delay the implementation of that act for fiscal year 1976.

Senator Eagleton. Well, if we try to legislate on an appropriation bill, we leave ourselves open to what is called a point of order if we try to tamper with the formula, and it is a risky business. I just point that out to you.

Dr. Triplett. That is correct.

Senator Eagleton. You may proceed.

Dr. Triplett. On another matter, it is important that Congress also increase the appropriation for Public Law 815. Our district has not received construction funds for several years under Public Law 815 because there have been insufficient appropriations, even though we have approximately 2,000 unhoused Federal pupils which qualify for approved applications, and this problem is being compounded by the fact that there is an additional 150 Capehart housing units being opened in September.

Last year, the Congress did increase Public Law 815 by $1 million, and at that time the Senate subcommittee's report acknowledged that the appropriation was insufficient. The report said, and I would like to quote from that report, "The committee urges the Department to consider an increased request for Public Law 815 funds, so that more funds can be used to fund those school districts which primarily serve military installations. Many of these districts have had applications pending before the Office of Education for several years. Appropriations in recent years have not been sufficient to reach their applications. This has placed severe financial pressures on the school construction programs of these districts.

Therefore, the committee intends that a special effort be made to assist these hard-pressed districts.

The administration's request for this program is also wholly unrealistic.

CONSTRUCTION FUNDS

Senator Eagleton. Now, these are construction funds, right?

Dr. Triplett. That is right.

Senator Eagleton. And last year for this amount or for this program, the Congress appropriated $20 million?

Dr. Triplett. That is correct.

Senator Eagleton. And the President's budget recommends $10 million?

Dr. Triplett. $10 million, yes.

Senator Eagleton. This year, and you consider that to be wholly inadequate?

Dr. Triplett. Yes, we do, and I think the Appropriation Committee report reflects that they also this past year felt that it was inadequate.

Senator Eagleton. Would the $20 million figure that was appropriated last year be a more rational figure this year under Public Law 815?

Dr. Triplett. Certainly that is a step in the right direction. I would think that $50 million would be closer to the figure that would actually accomplish the job.

Senator Eagleton. Thank you, Doctor, for being with us.

LIBRARY RESOURCES

STATEMENT OF MS. EILEEN COOKE, AMERICAN LIBRARY ASSOCIATION

PREPARED STATEMENT

Senator **EAGLETON**. Next we will hear from Ms. Eileen Cooke of the American Library Association.

Ms. Cooke, we are glad to have you with us.

Ms. **COOKE**. Thank you, Senator. I am pleased to be here and appreciate the opportunity.

You may notice the size of my testimony. I would like to point out that the last half of it is backup for some of the statements in the body of the testimony and for your reference purposes, with allotment tables and construction needs you will find useful.

I would like to summarize my statement.

Senator **EAGLETON**. Yes. The entire statement will appear in the record. We would appreciate hearing your summarization.

[The statement follows:]

I am Eileen D. Cooke, Associate Executive Director of the American Library Association and Director of its Washington Office. The Association will be marking the centennial of its founding during the national bicentennial year, 1976. The American Library Association is a nonprofit educational organization of some 35,000 librarians, trustees and other public-spirited citizens who are dedicated to the development of library and information services for the people of the United States.

The concern of the Association extends to libraries of all kinds. Libraries serve uncounted millions of Americans every day, employing for this purpose about a quarter-million people. Members of the Subcommittee may have seen articles in the newspapers and reports on television recently about the impact of the recession on patronage of the public libraries. Quite simply, many public libraries, especially in the larger cities, are experiencing an upsurge in the number of their adult patrons. This is repeating the experience of the Depression Era. Now, as then, adults are using the library as a source of information about the job market, as a place where they can get help in sharpening their occupational skills or in acquiring new ones, as a means of passing time constructively and purposefully and as a virtually costless way of maintaining their morale and brightening their outlook to ward off the stultifying and demoralizing effects of week after week without work.

It is the public libraries, of course, that serve the unemployed and others in the community in the ways I have mentioned. The public libraries are aided by your appropriations under the Library Services and Construction Act. The jurisdiction of the Subcommittee extends also to the school libraries, which are aided under Title II, and now the new Title IV-B, of the Elementary and Secondary Education Act; to the college and university libraries that are aided under provisions of Title II of the Higher Education Act; to the medical libraries for which funds are authorized under the Medical Library Assistance Act; and to the libraries and information centers of many other kinds that are supported to some extent through other components of the Labor-HEW appropriations legislation. The concern of the Association is for libraries of all types, and the concern and responsibility of this Subcommittee is fully as broad. (See attached table, Funds for Library-Related Programs.)

I venture to suggest that the Subcommittee's task, and ours as a witness before you, has never been as complex and difficult as it is this year. We are in a period of fiscal stringency as a result of the deepening recession and soaring inflation, and yet these dismal economic trends expand the inescapable needs for Federal funds and the corresponding demands that are placed upon the Subcommittee for prudent and conscientious choices and decisions. This year, too, the Subcommittee is operating under the initial stages of new budgetary processes. Not the least of the many implications of that fact is that the fiscal year for which funds will be provided in this bill will run for 15 months, not 12, and accordingly, the Subcommittee will be considering additional FY 1976 appropriations to cover the so-called transitional quarter (July 1-September 30, 1976). Without such special appropriations for the transitional quarter, any appropriation item funded at the level of the previous year would suffer a 25 percent reduction without even taking inflationary impact into consideration.

The situation of the libraries that look to this Subcommittee for a measure of support is especially complex this year because of the consolidation provisions of the Education Amendments of 1974 (PL 93-380) and the operations of the State and Local Fiscal Assistance Act (PL 92-512), the general revenue sharing legislation. As the Subcommittee is well aware, the Education Amendments authorized consolidation of the school library resources provisions of the ESEA (Title II) with Title III-A of the National Defense Education Act which authorizes grants for classroom equipment and minor remodeling, and that part of ESEA III which authorizes grants for guidance, counseling and testing activities. The consolidation enactment provides that the combined appropriation for the three programs must at least equal the amounts separately provided by Congress for the 1974 fiscal year, or else the consolidation does not become effective. I will have more to say about this later.

The revenue sharing program is a further complicating factor that must be taken into consideration, because local governments may use their revenue sharing funds for the operating, maintenance or capital needs of libraries. Many jurisdictions have indeed provided funds for these purposes, yet, as I shall demonstrate, many local governments merely replaced local support with this new form of Federal support.

Despite the gravity and complexity of the situation that confronts us, we have great confidence in the capacity of this Subcommittee to clarify the prospect before us and to lighten our burdens to some extent through the appropriations legislation that it recommends to the full Committee and to the Senate. We are also heartened by the fact that, in accordance with PL 93-568, planning has begun for the White House Conference on Library and Information Services and for the local and State meetings that will precede it. Many of these meetings will be held next year, on the assumption that the authorized funding is provided in the Second Supplemental Appropriations Act for 1975. We anticipate that each State and the Nation as a whole will have a much more accurate picture of their library needs and resources as a result of the White House Conference process, and that general public support for library programs will be strengthened throughout the country. Like the Subcommittee, we of the Association have often been hampered by the very tardy and less than comprehensive statistics on libraries that are gathered by the National Center for Education Statistics. We expect the White House Conference to remedy this deficiency in some respects, and we anticipate that the thousands of citizens who will participate in these proceedings will assure a high priority for libraries and information centers among the functions of State and local government.

I want to emphasize to this Subcommittee that the $3.5 million we have proposed for the White House Conference activities, a line-item in the Second Supplemental Appropriations Act, would be expended over four fiscal years. It is the entire amount authorized for the White House Conference on Library and Information Services. We believe it is important that the full amount be appropriated at the start of the conference process, so that States will know well in advance of the support they may expect. In that way, the State and local activities can be well-planned and conducted economically and productively. Providing part of the funds this year and more next year would prove to be pennywise and pound-foolish, I fear. Therefore, if the White House Conference is not fully funded in the supplemental legislation, we urge that the authorized amount of funds be included in this bill.

Public Libraries

The American Library Association urges the Subcommittee to appropriate $130.2 million for the programs currently authorized by the Library Services and Construction Act, for the twelve-month period July 1, 1975-June 30, 1976.

For Title I - Library Services, we recommend appropriation of $62 million. Congress has rejected the rescission proposed by the President of nearly half the amount appropriated for Title I in the 1975 legislation. The American Library Association is rejecting as utterly inadequate the $10 million that is proposed in the President's Budget for this program in 1976. That sum would not even provide the $200,000 for each State that is the statutory minimum mandated by the authorizing legislation. Obviously, the Budget proposal is insufficient and must be revised. (See attached map.)

The amount we recommend, $62 million, is the amount that was appropriated for FY 1973. The Federal dollars provided by LSCA Title I served as seed money which must be matched by the States. In communities all across the nation, this program has proved to be invaluable as a means of encouraging the States to provide much-needed library service that otherwise would have been beyond their reach. (See attached allotment table comparing State allotments under the appropriation for FY 1975, the Budget proposal for FY 1976, and the appropriation recommended by the American Library Association for FY 1976.)

Under Title I of the Library Services and Construction Act, the States are required to plan for the extension of public library services to the parts of the State and the segments of the State's population that, for one reason or another, are denied access to the library services available to others. While priorities for the use of Title I funds differ from State to State based on local needs, they include service to the disadvantaged, the bilingual, older people, the handicapped, and others lacking access to a public library. The following excerpts from an LSCA grant proposal submitted by the rural county of San Augustine, Texas, illustrate the way LSCA Title I priorities are adapted to local needs:

> To the rurally disadvantaged, strangers from town usually represent trouble, or at least strain and inconvenience. Those in new cars and city clothes with purpose enough to brave backwoods roads are most often the law, bill collectors, or bureaucrats working cases. We want to avoid any associations of this type, and try to tailor the spirit of our library services to develop a reputation and a rapport with country people comparable to that of the County Extension Service.

From the States themselves, we have collected many more examples of innovative extensions of library services that could not have been made were it not for support under Title I. I ask that excerpts from these reports to the ALA Washington Office attached to this statement be made a part of the record. They demonstrate, more clearly than any rhetoric, the fine work that is being done with the aid of Title I.

For Title II - Public Library Construction, we recommend and urge appropriation of $30 million. Estimated state grants are provided on an attached allotment table.

The Subcommittee has not provided funds for Title II since the appropriation for FY 1973. Those funds were impounded and released through court action in 1974. No funds were included in the FY 1975 appropriation, presumably because of the goal of Congress to minimize Federal outlays to fight inflation.

This year, in contrast, recession is as significant an economic problem as inflation, and the Title II program is available to offset recessionary effects, particularly unemployment. As we told the Subcommittee in our statement filed for the hearing record on the FY 1975 second supplemental appropriations bill, the Association has surveyed the States to determine how many library construction projects could be started almost immediately if Title II funds were available. The States have reported that 226 projects developed in accordance with LSCA requirements could be under construction by July 1 of this year; that is, the planning has been completed and the matching funds are in hand, and only the Federal share is lacking. Almost as many library construction projects could be started by January 1, 1976, if Federal funds were made available; and almost 300 projects could be started by July 1 of next year, 1976.

I want to emphasize that these figures are not cumulative; that is, the 226 construction projects that could be started by July 1 of this year are not included among the 224 library building projects that could be started by January of next year. In all, more than 700 library construction and remodeling projects could be started within one year, given the availability of Title II funds, and about one-third of these could be started by July 1975. In addition, the States estimate that another 766 library construction projects are needed in the next few years, that is, from 1976 through 1978. There is definitely a backlog of public library construction needs to be met, much of which has accumulated during the years of zero funding for Title II. The need is spread throughout the country, as indicated by the attached statistical table. The employment effects of meeting these needs would consequently be felt throughout the country and through much of the economy. (See attachment providing information from selected States illustrating the potential benefits of LSCA Title II.)

For Title III - Interlibrary Cooperation, we urge appropriation of $18.2 million, the amount authorized for this program in FY 1976. The entire appropriation for FY 1975 would have been rescinded if Congress had not rejected the Administration's rescission proposal. We find it difficult to understand how the Administration could propose to rescind the small amount (less than $3 million) appropriated for projects that link libraries together and enable them to coordinate their resources and services, when the same Administration at the same time proposes a Library Partnership Act for interlibrary cooperation, for which it promises to request an appropriation of $20 million if Congress enacts the new legislation to replace the statute now on the books.

We agree with the Administration that as much as $20 million could easily be used for these programs, and that LSCA Title III has been seriously underfunded to date. Attached is a table showing how much each State is receiving in Title III funds under the current appropriation and how much it would receive under the appropriation we recommend.

Although the proposed Library Partnership Act is far down the road from enactment, and therefore not a consideration for your Committee now, we would like to note for the record our support for the State and local determination encouraged by LSCA Title III. The Administration's partnership proposal, on the hand, would return decision-making to Washington, at the discretion of the Commissioner of Education.

Notwithstanding the relatively small amount of Title III funds allotted to each State and the uncertainty that has attended provision of the funds in recent years, the States are making significant improvements and economies in their services through the Title III programs. In Pennsylvania, for example, materials are exchanged through a van delivery system that connects 150 libraries across the State. The academic and public libraries list each book they purchase in a central computer file so that any cooperating library can instantly determine which other libraries own a specific book requested by a reader. A catalog of the holdings of over 100 Pennsylvania libraries is being placed on microfilm, and copies will be placed at several locations throughout the State so that these books may be borrowed on an interlibrary loan basis.

Kansas has used Title III funds to start and operate an interlibrary loan system that includes college, junior college, high school and public libraries. Any patron of any of these libraries has access to the materials in any other library in the system. This has given libraries the opportunity to enlarge their collections since they do not have to purchase seldom-requested esoteric titles which are available at participating libraries. Cooperative endeavors such as this would not have been possible without the availability of Title III funds to encourage and assist development of the new system. The State Librarian of Ohio has told us that, thanks to Title III funds, patrons of the library in McArthur, an Appalachian community of less than 10,000, were able to borrow books from the Ohio State University Library, from the Akron Public Library and even from the library of Harvard University. Here is a local public library with an annual budget of $12,660 giving service of this kind to its patrons, and this is made possible by Title III. An attachment to this statement includes some other examples of Title III programs in the States.

We are sometimes asked why Federal funds should be provided for the interlibrary projects supported under Title III. There are several reasons. Many of these networks of cooperating libraries reach across State boundaries as, for example, in metropolitan areas located in more than one State. The Federal funds also stimulate and support the less-advanced library systems in their efforts to provide better service. Often Title III projects demonstrate the benefits of public library service, and the local people subsequently vote to tax themselves for its continuation. We have seen this happen many times, in State after State.

General Revenue Sharing (GRS)

Although the State and Local Fiscal Assistance Act (General Revenue Sharing) is not among the programs for which the Committee is responsible, we would like to comment on its impact upon public library programs. We have asked all the States to inform us of any use of GRS funds for library purposes. To summarize the preliminary information that has come to us so far, only about 14 percent of the nation's public libraries have received GRS funds. The great majority of public libraries have not been touched by GRS. Among governmental units that have provided GRS for libraries, there appears to be a growing tendency to use GRS dollars to replace local or State funds previously provided for library support. Attached is a table presenting this information on a State-by-State basis.

We noted the recent testimony of Office of Education witnesses before this Committee, which cited the assistance provided libraries by GRS as one of the reasons the Administration now offers for justifying its proposed phase-out of the Library Services and Construction Act. We are distressed by this line of reasoning which simply cannot be sustained on the basis of the facts available to date. We call your attention to the attached information on Public Libraries and General Revenue Sharing.

In general, GRS funds have not spurred innovation or extension of library service. These are the very hallmarks of the LSCA program funded by this Committee, and it is these programs, not General Revenue Sharing, which represent the primary commitment on the part of Congress to the improvement and extension of library services to reach all Americans.

School Libraries and Learning Resources

For Title IV-B of the Elementary and Secondary Education Act, we propose appropriation of $209,332,500 in the FY 1976 appropriations bill, of which $34,332,500 would be funding for the transitional quarter (July 1, 1976-September 30, 1976), and $175 million would represent forward funding for FY 1977.

Under the authorizing legislation, as the Committee is aware, local education agencies have complete discretion in the use of these funds within the specified purpose of Libraries and Learning Resources, provided the appropriation is no less than the amount previously available to the three unconsolidated programs. A supplemental appropriation for FY 1975 (PL 93-554) provided $137,300,000 for the twelve-month period July 1, 1975 through June 30, 1976, on a forward funding basis. This was the minimum amount needed for this period of time to trigger the new consolidation. Because FY 1976 contains an additional three months, due to the changeover to a new fiscal year cycle, additional funding must be provided for the consolidated programs for the additional months. Accordingly, we recommend appropriation of one-quarter of the Administration's FY 1976 budget request for ESEA Title IV-B to carry it through the transitional quarter. ESEA Title IV-B should be funded at this rate throughout FY 1976 including the transitional quarter, if it is to be in compliance with the Education Admendments of 1974 which establish an appropriation floor in order to trigger the consolidation. (See attached ESEA IV-B allotment table for FY 1976 transitional quarter.)

For FY 1977, the advance funding portion of the bill, we urge appropriation of $175 million for Libraries and Learning Resources, an amount which equals the FY 1973 funding levels of the three categorical programs. (See FY 1977 State allotment table attached.)

Before consolidation, the Committee and Congress provided more than $95 million for the textbooks and school library components alone of what is now a much broader program. We do not believe that our proposal is excessive in view of the manifest needs. There are still thousands of schools, especially elementary schools, that lack any semblance of a school library. How many of these schools exist and precisely where they are cannot be stated due to the inadequacies of the official statistics. The most recent survey we know of is one we conducted ourselves in 1973. At that time the States estimated that on the average about one-third of their elementary schools lacked libraries. We hope this information will be updated on a State by State basis in the near future by the Office of Education. In any event we look to the forthcoming White House Conference on Library and Information Services for reliable data on State standards for school library collections, staff and space, and the degree to which States have been able to achieve these standards. We must emphasize that the sums provided through this legislation are small in comparison to the amounts provided by State and local school districts from their own resources. The Federal funds stimulate provision of textbooks and school library services and supplement the resources of the less-wealthy districts.

In some States these funds are used to provide materials to certain vulnerable groups of students, for example, those who need improvement in the basic skills of reading or mathematics, those in danger of dropping out, or gifted, handicapped or bilingual children. This program serves both elementary and secondary schools, under both public and private auspices. Nationally, the proportion of funds made available to private schools is proportionate to their share of the total enrollment. In many States, these funds are being used to strengthen the Right To Read programs, and we remind the Committee that one of the Administration's continuing objectives, deserving of commendation, is to be well on the way to wiping out illiteracy in this country through the Right To Read program by the time we mark the bicentennial next year.

Finally, it is important to note that the ESEA Title II program has been popular with educators, with parents, with local government officials, and it is certainly appreciated by the children and young people who directly and lastingly benefit. (See attached comments from the States.)

College Library Resources, Library Training and Research and Demonstration

For Parts A and B of Title II of the Higher Education Act, we recommend an appropriation of $30 million. If this amount is appropriated, the mandatory allocation formula in the law would result in the availability of $21 million for college library resources, $6 million for training librarians, and $3 million for library research and demonstration.

College Library Resources - Part A

Title II-A provides basic grants of up to $5,000 to college and university libraries to acquire books and audiovisual materials, plus supplemental grants to build up library resources in developing institutions and special purpose grants to support interlibrary cooperation. Under the basic grant program, each accredited or provisionally accredited institution of postsecondary education is entitled to a $5,000 basic grant for library resources. With close to 3,000 eligible institutions, nearly $15 million is required to provide each with a basic grant under HEA Title II-A. (See attached map for basic grant entitlements.)

This money has proved especially significant in recent years as academic libraries face extraordinary changes in the patterns of higher education while coping with mounting costs for books, magazines and audiovisual materials. Three developments in the past five years have had a profound effect on library materials budgets: first, the change in the composition of the student body itself caused by open admissions policies and an influx of part-time and adult students; second, the strong tack away from the traditional academic subjects in favor of vocational education, interdisciplinary studies and newly developed fields such as Black studies or urban studies; and third, the growing effort by colleges and universities to make their classes relevant and their resources available to the surrounding community.

Dr. Robert Kibbee, Chancellor of the City University of New York, has said that 19 percent of the entering students at his institution last year were over 25 years old. Statistics from the American Council on Education show that for the first time in history more than half the students enrolled in postsecondary education are going part-time.

These students are obviously different from the entering freshmen of ten years ago. They are older, they are holding down jobs, they are not recent graduates from high school. Many would not have been considered "college material" a decade ago. For this new generation of students, college libraries must provide special teaching aids and cross-cultural materials not previously stocked in the traditional library. "The emphasis has been on a wide variety of teaching methods necessitating the purchase of slides, cassettes and other audiovisual materials," the librarian of a Kentucky junior college wrote. "The development of a series of Basic Studies courses has resulted in our spending a large portion of the budget for materials designed specifically for academically disadvantaged students." A junior college librarian from Iowa said remedial learning materials were taking one-fourth of his $17,000 acquisitions budget. In most cases, the funds to meet these new demands have come from money available under Title II-A.

The trend away from the classic college curriculum has forced libraries to make painful decisions between keeping up with the materials being published in traditional disciplines and acquiring the necessary new subject material. Often it is not a one-or-the-other question. Students specializing in American studies need conventional American history books plus materials on Indian culture, jazz, Chicanos and Hollywood. Job-oriented students need both economics periodicals and vocational information.

Libraries have borne a heavy burden of the cost of these changed course offerings. For example, the librarian at a 2-year college in Michigan with 5,000 students reported more than 40 new courses had been added since 1970 (not a high number, some institutions have added more than 100). Among the newcomers: dental hygiene and radiology techician courses, plastics technology, small engine mechanics, hotel-motel management. "Each of these course needed basic reference materials plus a coverage of periodicals that necessitated considerable investment," she wrote. "We have had to spread the money around and really rob the traditional subject matter."

Academic libraries are opening up their doors to surrounding communities. A recent survey of community and junior college libraries by the American Library Association showed that approximately three-fourths of these institutions offer their services to such diverse groups as ethnic minorities, hospital staffs, high school students and local politicians.

For example: Lane Community College in Oregon has provided computer based occupational information to high school and college students wanting up-to-date data on career opportunities, requirements and compensation. The program is operated in conjunction with the public schools, the state employment office and local social agencies. California's Chabot College library has helped to retrain the local police and fire departments through the use of closed circuit television, audiovisual materials and conventional library books and periodicals. Librarians provided the teaching materials and the agencies supplied the teachers. Bellevue Community College in Washington offers a legislative reference service to keep students, faculty, and the community informed of actions by the state legislation, particularly in the realm of education.

At Navajo Community College in Tsaile, Arizona, the librarian wrote that his college library was the principal source of reading matter for the surrounding community. "The vast majority of our collections budget goes to materials by and about Native Americans," he wrote. "If it weren't for HEA II-A funds our Indian collection would be severely crippled. We would not be able to maintain a current collection in books, films, etc. and since we are the main library for the Navajo Reservation all of the people would be suffering a great loss without these funds." (For additional examples, see attachment.)

Furthermore, the price of the essential books, films, records and magazines the library purchases continues to rise sharply. For example, the average cost of an American periodical in 1974 was $17.71, a rise of 9 percent over the previous year (which was 22 percent over 1972). The price of chemistry and physics journals has reached an average of $65.47 while business and economics periodicals cost an average of $13.90. Last year Princeton University spent $532,618, one-third its budget, on periodical subscriptions; the University of Wisconsin at Superior, with an acquisitions budget one-eighth the size of Princeton's, spent $129,389 (65 percent of the total) on periodicals.

Because complete files of magazines and journals must be kept, the list of subscriptions cannot be compressed in lean years and expanded in good years. The cost of subscriptions thus represents an implied encumbrance on a budget which must be subtracted before any other materials can be purchased.

The FY 1975 appropriation for HEA Title II-A, $9,975,000, was not adequate to fund full basic grants for the 2,700 applicants. If all are eligible, each institution will be able to receive only $3,694. Moreover no funds remain to fund the special purpose and supplemental grants authorized by the law.

In 1973, the last year in which special purpose grants were available, 307 colleges and universities benefited from this program. The $2.4 million was used to improve the quality of library resources in urban institutions with high concentrations of economically disadvantaged students, to build up collections in established institutions which are being used by newer and poorer colleges and universities in the surrounding area. In previous years, these grants have been used to improve special collections and to overcome the mounting costs of curriculum changes.

Commenting on the relationship of basic and special purpose grants, the librarian of Princeton University reported: "The growth of interdisciplinary programs over the last 20 years has added more than $200,000 in annual demand on the library's acquisitions budget. When Special Purpose grants were available under HEA II-A we applied them largely to these programs to avoid reducing acquisitions in traditional fields. Five thousand dollars is obviously a small part of the acquisitions budget of a large research library, but these budgets are increasing less rapidly than the cost of books and journals. Thus even a basic grant helps maintain a reasonable level of acquisitions. Without it we would simply buy fewer books, thus weakening the collections permanently."

Library Training and Demonstration - Part B

Under Title II-B we recommend $6 million for training in librarianship and $3 million for library research and demonstration. The FY 1976 budget proposes terminating Federal support for training librarians on the theory that the supply and demand of professional librarians has reached an "equilibrium point."

This attitude on the part of the Administration belies the actual use of this training money. Rather than support every new library science student that comes along, as the Office of Education would have it believed, this money has been used to fund scholarships for badly needed minority librarians, to send qualified technicians back to school to sharpen some special skill like service to the handicapped, and to sponsor institutes in which dozens of practicing librarians upgrade their skills and learn to use modern technology to better serve their patrons.

Among the institutes funded with FY 1974 money were a 12-month program at the Fort Wright College of the Holy Names in Spokane, Washington, to train Indian library technical assistants, and a 10-day institute at the University of Denver to train graduate librarians in the use of computer retrieval systems.

For the second element of Part B, library research and demonstration, we recommend an appropriation of $3 million. These projects are designed to bring better library service to all types of people -- to scholars, school children minorities, older people. Among the 20 projects funded in 1974 were a program to coordinate library services for inner-city school children in Philadelphia, a demonstration of libraries serving as neighborhood information centers sponsored by the Houston, Texas, public library and conducted in five other cities, and the developing of an educationally stimulating library for young children in Boonville, North Carolina.

For FY 1975 the Office of Education received 168 applications totaling $10.25 million from organizations seeking Federal support for fellowships and institutes, and 187 requests totaling $12 million for research and demonstration projects. With the FY 1975 appropriation of only $3 million for HEA Title II-B, almost all of these project proposals will go unfunded. To avoid a similar situation next year, we urge appropriation of at least $9 million for HEA Title II-B.

Higher Education Act - Title III

We support the full authorization of $120 million for FY 1976 for this program of special assistance to strengthen the academic quality of developing institutions. HEA III funds may be used to plan and develop cooperative arrangements between developing institutions and established colleges and universities. These arrangements can include joint use of academic library facilities and the sharing of books, materials and other equipment.

Higher Education Act - Title VI-A

Another program in which college and university libraries may participate is Title VI-A of the Higher Education Act which authorizes a program to improve the quality of undergraduate instruction by providing financial assistance on a matching basis to institutions of higher education for acquisition of instructional equipment, materials and related minor remodeling.

A typical example of this program is the use of HEA VI-A funds by Harper College in Palatine, Illinois, to purchase audiovisual equipment including tape recorders, slide projectors, screens, cassette players, etc. for both a centralized lecture/demonstration classroom and numerous independent learning carrells in the library. Harper, one of a series of two-year State institutions in the Chicago area, has 15,000 students pursuing either conventional academic subjects, technician training or adult continuing education. This equipment, supplied under an FY 1974 Federal matching grant of $25,000, is now being used to teach subjects as diverse as sociology, biology, economics and science career education.

We feel HEA Title VI-A is serving a basic need in upgrading the services of libraries and educational media facilities in colleges and universities and are recommending an appropriation of $25 million.

Civil Rights and Equal Employment Opportunity

The American Library Association is a strong supporter of equal employment opportunity, and has itself recently conducted an institute to assist library administrators with the development of equal employment opportunity affirmative action plans. The Association supports the budget request of $25.1 million for

HEW's Office for Civil Rights which we are told will enable the Office to hire additional staff to enforce Title IX of the Education Amendments of 1972 which prohibits sex discrimination in education programs receiving Federal aid. We understand the budget request would also support continuation of Title VI enforcement in elementary, secondary and higher education and enforcement of Executive Order 11246 which prohibits employment discrimination in Federally supported institutions. The Association would like to see vigorous enforcement of Federal nondiscrimination laws and regulations on the part of HEW.

Medical Libraries

Another concern of the American Library Association is for the effective operation of the National Library of Medicine and full implementation of the programs authorized by the Medical Library Assistance Act. We support the Administration's request for $22,682,000 for the National Library of Medicine. The resources of this great medical library are important to members of the medical profession throughout the country. In addition we urge appropriation of the full $20 million authorization for assistance to regional and local medical libraries across the country.

National Commission on Libraries and Information Science

The National Commission on Libraries and Information Science, a permanent and independent agency within the Executive Branch, is charged with primary responsibility for developing and recommending overall plans for library and information services adequate to meet the needs of all the American people. The American Library Association strongly supports the goals of the National Commission and we recommend that the full authorization of $750,000 be appropriated for FY 1976.

The Commission has reached a crucial point in its work. Its recommendations for a national program of library and information service to meet the individual needs of all Americans must be further developed, and more ideas must be sought from the people themselves. Supporting studies are needed. Some of the areas for further study which have been identified by the Commission are: national and regional resource and bibliographic center operation; the future role of the states in providing information and library service; and the function of computers in the provision of library and information service.

Although the Administration has requested only $502,000 for the Commission in FY 1976, we urge the Committee to provide the full authorization for this critical period in the Commission's work.

National Center for Education Statistics

The Association, in the interest of improved national education and library statistics, supports the full FY 1976 Budget request of $16,665,000 for the National Center for Education Statistics. Basic, comparable statistical information about all types of library service is absolutely essential to a rational determination of the needs and most effective use of all our Nation's libraries. In FY 1975 the Center, in partnership with the states, initiated the Library General Information Survey (LIBGIS) program which over a period of years will collect a body of compatible data about public, school, academic and special libraries on a national basis.

The Association believes that the work of the Center in gathering accurate data is critical to rational planning for the future. As the chairman of the House Education and Labor Committee noted recently, the LIBGIS library surveys are even more necessary now that Congress has passed and the President has signed into law the measure calling for a White House Conference on Library and Information Services to be held not later than 1978 (PL 93-568). Conferences will be held in the States and territories in the years before the White House Conference so that the status of library services can be reviewed on a State-by-State basis and plans made for the future. The basic statistical information gathered by the NCES library surveys will fulfill a most important function in this process of State and national reassessment of library service.

Educational Resources Information Center (ERIC)

Possibly the strongest program now housed under the National Institute of Education, the Educational Resources Information Center is a primary mechanism for communicating the results of educational research to the library and education community. From the beginning, ERIC has emphasized reaching the practitioners, in this case librarians and library educators, who must put the research results to work if our educational system is to be improved.

Placed under the NIE umbrella when that agency was established in 1972, ERIC was to provide the nucleus for disseminating research resulting from both government and private endeavors. By publishing abstracts of thousands of dissertations, scientific investigations, journal articles, and government reports and by making copies of much of this material available, ERIC is providing invaluable access to information that would otherwise be totally lost to the librarian or researcher.

Because the ERIC service is vitally important to the future of libraries and education in this country, we urge the Committee to adequately fund it and to provide ERIC a separate line item appropriation within NIE.

Conclusion

Mr. Chairman and Members of the Subcommittee, on behalf of all our members, I would like to thank you for the expeditious way you have moved the FY 1976 education appropriations along the road to enactment. We and the entire education community hope that this year, we will have the FY 1976 appropriations enacted into law well before the beginning of the new fiscal year.

In recent years, the delays in Federal funding have wreaked havoc with State and local education programs. Much of this has resulted from the Administration's attempts to impound, defer or rescind appropriations already enacted by Congress. Here it is April, with only three months remaining in fiscal year 1975, and yet the States still have not received their full allotments in accordance with the FY 1975 Labor-HEW Appropriations Act (PL 93-517). We very much appreciate the timely fashion in which you are proceeding with FY 1976 education appropriations.

Thank you for the opportunity to present testimony on behalf of the American Library Association. In conclusion, I would like to emphasize once again the need for full funding of the authorization for the White House Conference on Library and Information Services. As a result we anticipate that each State and the nation as a whole will have a much more accurate picture of their library needs and resources, and general public support for library programs will be strengthened throughout the country.

The budget subjects covered in this statement relate for the most part to programs administered by the Office of Libraries and Learning Resources (OLLR) in the U.S. Office of Education, as follows:

	FY 1975 Appropriation	FY 1976 Budget	ALA FY 1976 Recommendation
Library Services and Construction Act	$ 51,749,000	$ 10,000,000	$130,200,000
Title I - Library Services -	(49,155,000)	(10,000,000)	(62,000,000)
II - Library Construction -	-0-	-0-	(50,000,000)
III - Interlibrary Cooperation -	(2,594,000)	-0-	(18,200,000)
Library Partnership Act (proposal)		[20,000,000]	
Elementary & Secondary Education Act			
Title IV-B - Libraries and Learning Resources* -	135,580,000 137,330,000[a]	137,330,000[b]	209,332,500[c]
Higher Education Act, Title II	12,975,000	-0-	30,000,000
Part A - College Library Resources -	(9,975,000)		(21,000,000)
B - Training & Demonstration -	(3,000,000)		(9,000,000)
Higher Education Act, Title VI-A			
Undergraduate Equipment -	7,500,000	-0-	25,000,000
SUBTOTAL	$345,134,000	$167,330,000	$394,532,500

Outside OLLR but under USOE and HEW, the American Library Association supports the following in this testimony:

Higher Education Act, Title III			
Developing Institutions -	$110,000,000	$110,000,000	$120,000,000
Educational Resources Info Center -	4,100,000	5,200,000	5,200,000
Civil Rights and Equal Employment Opportunity -	22,862,000	25,147,000	25,147,000
National Center for Education Statistics -	10,565,000	16,665,000	16,665,000
National Library of Medicine -	21,768,000	22,482,000	22,482,000
Medical Library Assistance Act -	6,682,000	6,333,000	20,000,000
SUBTOTAL	$175,977,000	$185,827,000	$209,494,000

Last, but most significant of all in terms of the nation's access to library and information services in future years, their planning and coordination, and the determination of appropriate federal, state and local roles in the provision of such services, the Association supports:

National Commission on Libraries and Information Science -	$ 409,000	$ 502,000	$ 750,000
White House Conference on Library and Information Services -	(signed into law 12/31/74)	?	3,500,000
SUBTOTAL	$ 409,000	$ 502,000	$ 4,250,000
TOTAL	$521,520,000	$353,659,000	$608,275,500

*Consolidation of ESEA II, school library resources; NDEA III, instructional equipment; and part of ESEA III dealing with guidance, testing and counseling.

a-forward funding for FY 1976; b-forward funding for FY 1977; c-$175 million forward funding for FY 1977 plus $34,332,500 for interim three months shift to new fiscal year beginning October 1, 1976.

FUNDS FOR LIBRARY-RELATED PROGRAMS - FISCAL YEAR 1976

	FY 1975 Appropriation	FY '75 Proposed Rescissions[1]	FY 1976 Authorization	FY 1976 Budget
Elementary and Secondary Education Act				
Title I - Educationally Deprived Children	$1,876,000,000	-0-	Based on formula	$1,900,000,000[2]
II - School Library Resources	95,250,000	85,000,000	$220,000,000	45,125,000[2]
III - Suppl. Education Centers & Guid.	120,000,000	-0-	605,000,000	73,196,500[2]
IV-B - Libraries & Learning Resources	-0-	-0-	395,000,000	68,665,000[2]
IV-C - Education Innovation and Support	-0-	-0-	350,000,000	86,444,000[2]
V - State Education Departments	39,425,000	9,856,250	90,000,000	19,712,500[2]
VII - Bilingual Education Act	85,000,000	15,000,000	147,750,000	70,000,000
IX - Ethnic Heritage	1,800,000	1,800,000	10,000,000	-0-
Educ. Handicapped Children (state grants)	100,000,000	52,500,000	100,000,000	50,000,000[3]
Library Services and Construction Act	51,749,000	26,750,000[4]	252,350,000	10,000,000
Title I - Library Services	49,155,000	24,156,000	137,150,000	10,000,000
II - Public Library Construction	-0-	-0-	97,000,000	-0-
III - Interlibrary Cooperation	2,594,000	2,594,000	18,200,000	-0-
IV - Older Readers Services	-0-	-0-	Sums as necessary	-0-
Library Partnership Act	-0-	-0-	Needs auth.	20,000,000[5]
National Defense Education Act				
Title III-A - Equip. & Minor Remodeling	21,750,000	-0-	40,500,000	14,125,000[2]
VI - - Language Development	11,300,000	2,660,000	75,000,000[6]	8,640,000
Higher Education Act				
Title I - - Community Service Program	14,250,000	13,350,000	50,000,000[6]	-0-
II-A - - College Library Resources	9,975,000	9,975,000	70,000,000[6]	-0-
II-B - - Library Training	2,000,000	2,000,000	20,000,000[6]	-0-
- Research and Demonstrations	1,000,000	1,000,000	10,000,000[6]	-0-
Titles II-A & B total	12,975,000	12,975,000	100,000,000	-0-
II-C - - LC Acquisitions & Cataloging	9,055,000	-0-	2USC 131-167	9,748,000
III - - Developing Institutions	110,000,000	-0-	120,000,000[6]	110,000,000
V-E - - EPDA Fellowships (Higher Educ.)	2,100,000	2,100,000	22,500,000[6]	-0-
VI-A - - Undergrad. Equipment & Matls.	7,500,000	7,500,000	70,000,000[6]	-0-
VII - - - Academic Facilities	-0-	-0-	500,000,000[6]	-0-
National Institute of Education	70,000,000	-0-	550,000,000[7]	80,000,000
Postsecondary Educ. Innovation Fund	11,500,000	-0-	75,000,000[6]	17,500,000
State Postsecondary Educ. Commissions	3,000,000	2,200,000	Sums as necessary[6]	-0-
Adult Education Act (state grants)	67,500,000	6,181,000	175,000,000	67,500,000[2]
National Reading Improvement	12,000,000	-0-	109,500,000	12,000,000
Older Americans Act				
Title III - - Community Programs	105,000,000	5,000,000	Needs new auth.	96,000,000
IV - - Training and Research	15,000,000	8,000,000	" " "	7,000,000
IX - - Community Service Employment	12,000,000	12,000,000	" " "	-0-
Educational Broadcasting Facilities	12,000,000	5,000,000	30,000,000[6]	7,000,000
National Library of Medicine	21,768,000	223,000[8]	42 USC 275	22,482,000
Medical Library Assistance Act	6,682,000	605,000[8]	20,000,000	6,333,000
Natl. Commission on Libraries and Information Sc.	409,000	-0-	750,000	502,000
National Center for Educ. Statistics	9,060,000	-0-	35,000,000	16,665,000
GPO Superintendent of Documents	36,000,000	-0-	44 USC 301	36,976,000
Indian Education Act	42,000,000	-0-	Based on formula	42,055,000
Library of Congress	96,478,800	-0-	2USC 131-167	120,032,100
Arts and Humanities	139,000,000	-0-	227,000,000	175,000,000
White House Conference on Library and Information Services	-0-	-0-	3,500,000	-0-

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[1] Rescissions proposed by President on January 30, 1975 (H.Doc. 94-39) ; not approved by Congress.

[2] Appropriation forward funded by FY 1975 supplemental (P.L. 93-554).

[3] Appropriation forward funded at $100 million (P.L. 93-554); President requested $50 million rescission.

[4] Total reduction $26,750,000, of which $23,958,000 proposed rescission and $2,792,000 deferral for later use as pay increases in HEW; not approved by Congress.

[5] Future legislation proposed by the Administration.

[6] Authorization expires in FY 1975; automatically extended one additional year by Sec. 414(a) of General Education Provisions Act

[7] Three-year authorization, FY 1973-75; one-year extension as in footnote 6 above.

[8] Total reduction for NLM & MLAA $828,000, of which $443,000 is proposed for use as pay increases and $385,000 for rescission; not approved by Congress.

American Library Association
Washington Office
March 1975

LIBRARY SERVICES AND CONSTRUCTION ACT - Titles I and III

Comparison of FY 1975 Appropriations with FY 1976 Budget

State Grants would be cut from $51,749,000 to $10,000,000

	Amount Cut	Percentage Cut
Alabama	$ 701,571	79
Alaska	111,187	37
Arizona	431,161	69
Arkansas	424,185	69
California	3,841,841	95
Colorado	503,675	73
Connecticut	616,024	76
Delaware	155,795	45
District of Columbia	185,352	49
Florida	1,472,411	89
Georgia	935,081	83
Hawaii	204,994	52
Idaho	193,062	50
Illinois	2,102,265	92
Indiana	1,024,299	84
Iowa	576,187	75
Kansas	466,224	71
Kentucky	661,551	78
Louisiana	738,286	78
Maine	241,343	56
Maryland	793,500	81
Massachusetts	1,115,170	85
Michigan	1,713,999	90
Minnesota	764,721	80
Mississippi	475,954	72
Missouri	925,901	83
Montana	184,617	49
Nebraska	332,029	64
Nevada	151,757	44
New Hampshire	196,366	51
New Jersey	1,395,308	88
New Mexico	252,358	57
New York	3,394,281	95
North Carolina	1,023,932	84
North Dakota	167,177	47
Ohio	2,022,775	91
Oklahoma	540,573	74
Oregon	457,963	71
Pennsylvania	2,228,198	92
Rhode Island	228,125	55
South Carolina	550,670	74
South Dakota	175,806	48
Tennessee	802,355	81
Texas	2,221,957	92
Utah	261,719	58
Vermont	136,153	42
Virginia	939,854	83
Washington	680,450	78
West Virginia	378,842	67
Wisconsin	883,862	82
Wyoming	115,410	38

Estimated Grants for Library Services--LSCA Title I
(Note: totals include outlying territories not listed)

	1975 Appropriation	1976 Budget	1976 Recommended Appropriation[1/]
TOTALS ...	$49,155,000	$10,000,000	$62,000,000
Alabama	843,067	189,394	1,059,361
Alaska	259,845	189,394	275,396
Arizona	575,938	189,394	642,256
Arkansas	569,047	189,394	679,885
California	3,945,238	189,394	5,178,548
Colorado	647,572	189,394	750,738
Connecticut	758,558	189,394	956,575
Delaware	303,914	189,394	336,759
District of Columbia	333,111	189,394	388,758
Florida	1,604,555	189,394	1,894,048
Georgia	1,073,744	189,394	1,345,154
Hawaii	352,515	189,394	392,103
Idaho	340,728	189,394	377,904
Illinois	2,226,767	189,394	2,973,071
Indiana	1,161,880	189,394	1,495,883
Iowa	719,205	189,394	904,882
Kansas	610,576	189,394	761,170
Kentucky	803,533	189,394	1,003,257
Louisiana	879,337	189,394	1,109,017
Maine	388,423	189,394	447,931
Maryland	938,820	189,394	1,178,686
Massachusetts	1,251,648	189,394	1,619,517
Michigan	1,843,212	189,394	2,414,440
Minnesota	905,451	189,394	1,149,411
Mississippi	620,188	189,394	753,146
Missouri	1,064,676	189,394	1,367,068
Montana	332,385	189,394	373,263
Nebraska	478,009	189,394	570,224
Nevada	299,924	189,394	321,946
New Hampshire	343,992	189,394	384,060
New Jersey	1,528,388	189,394	1,988,543
New Mexico	399,304	189,394	453,504
New York	3,503,108	189,394	4,738,809
North Carolina	1,161,517	189,394	1,468,035
North Dakota	315,157	189,394	354,139
Ohio	2,148,242	189,394	2,857,807
Oklahoma	684,023	189,394	838,565
Oregon	602,415	189,394	721,826
Pennsylvania	2,351,173	189,394	3,142,723
Rhode Island	375,365	189,394	436,967
South Carolina	693,997	189,394	846,365
South Dakota	323,681	189,394	366,239
Tennessee	942,628	189,394	1,179,126
Texas	2,345,007	189,394	2,993,719
Utah	408,552	189,394	464,301
Vermont	284,509	189,394	310,966
Virginia	1,078,459	189,394	1,359,855
Washington	822,212	189,394	1,050,629
West Virginia	524,254	189,394	635,208
Wisconsin	1,023,147	189,394	1,302,328
Wyoming	264,017	189,394	282,942

[1/] FY 1976 funding level recommended by American Library Association -- identical to FY 1973 appropriation.

LIBRARY SERVICES AND CONSTRUCTION ACT -- TITLE I

LSCA title I priorities include service to the disadvantaged, the bilingual, the elderly, the handicapped, and other persons who have no access to library service. This vitally-needed federal program has encouraged and enabled States and localities all across the country to undertake many innovative programs that otherwise would not have been initiated. The following are only a few examples:

PENNSYLVANIA - With a growing Spanish-speaking population in the Lebanon community, plans were made in cooperation with the Catholic Church, Lutheran Social Services, and other community organizations to open a reading center with a collection of books in the Spanish language, as well as English, to provide language programs in English and Spanish, to provide a bilingual staff. Although a great many people were interested in the project, it took LSCA matching funds to get it started.

KANSAS - Several regional libraries offer a program called Dial-a-Book, which allows rural residents a toll-free telephone link with their nearest library, thus giving these patrons the same service as city residents. For the farm family, living twenty to thirty miles from any library, the Dial-a-Book program has opened up a whole new world. The farmer is able to obtain current information for his farming operation without waiting until the next time he is at the library. The children may request and receive books to broaden their interests. The busy homemaker finds help for the next lesson she is to give at the club, or for canning the extra produce from the garden. This program would never have come into being without LSCA title I funding.

OHIO - The Youngstown-Mahoning County Cooperative project, an outreach program, would not have been possible without LSCA title I funding. This is a cooperative program between the public library and 73 community and government agencies to provide library service to persons who are homebound, handicapped, disadvantaged, or elderly.

OKLAHOMA - Harmon County in Southwestern Oklahoma had never had library service until LSCA title I funds were granted for a multi-county demonstration in 1973 and 1974. As a result, citizens in Harmon and Jackson Counties voted a 2-mill library tax in the Fall of 1974 to assume local support and assure the library's future.

WISCONSIN -Madison and Dane County residents are finding easier access to specialized social services through the Madison Area Information and Referral Service. Information service staff, located on the main floor of the City-County office building, assist in referring families and individuals with health and social service needs to appropriate public and private agencies. The staff is hired by the Madison Public Library. Costs are shared with an LSCA title I grant supplementing a Wisconsin Information and Referral grant through the State Division on Aging.

CALIFORNIA - LSCA title I funds have enabled the state's San Joaquin Valley Library System to provide services to the migrant worker, labor camps, the isolated areas of Fresno, Madera, Kings, and Tulare Counties, and the cities of Hanford and Tulare. A bookmobile "Biblioteca Ambulante," designed for audiovisual materials as well as books, and Spanish-speaking personnel are serving the Spanish-American population. A growing minority of Chicanos, Filipinos, and others of non-English speaking background are reached with materials in Spanish and English. Without federal funds this would not be possible. While this program was originally demonstrating services to the rural disadvantaged it is now turning to serve the urban bilingual and bicultural as well.

Estimated Grants for Library Construction--LSCA Title II

(Note: totals include outlying territories not listed)

	1975 Appropriation	1976 Budget	1976 Recommended Appropriation[1]
TOTALS ...	-0-	-0-	$50,000,000
Alabama	-0-	-0-	845,122
Alaska	-0-	-0-	169,342
Arizona	-0-	-0-	535,599
Arkansas	-0-	-0-	527,615
California	-0-	-0-	4,439,605
Colorado	-0-	-0-	618,602
Connecticut	-0-	-0-	747,201
Delaware	-0-	-0-	220,405
District of Columbia	-0-	-0-	254,235
Florida	-0-	-0-	1,727,457
Georgia	-0-	-0-	1,112,407
Hawaii	-0-	-0-	276,719
Idaho	-0-	-0-	263,062
Illinois	-0-	-0-	2,448,413
Indiana	-0-	-0-	1,214,529
Iowa	-0-	-0-	701,602
Kansas	-0-	-0-	575,734
Kentucky	-0-	-0-	799,313
Louisiana	-0-	-0-	878,148
Maine	-0-	-0-	318,326
Maryland	-0-	-0-	956,070
Massachusetts	-0-	-0-	1,318,544
Michigan	-0-	-0-	2,003,989
Minnesota	-0-	-0-	917,406
Mississippi	-0-	-0-	586,871
Missouri	-0-	-0-	1,101,900
Montana	-0-	-0-	253,394
Nebraska	-0-	-0-	422,128
Nevada	-0-	-0-	215,782
New Hampshire	-0-	-0-	266,843
New Jersey	-0-	-0-	1,639,202
New Mexico	-0-	-0-	330,934
New York	-0-	-0-	3,927,309
North Carolina	-0-	-0-	1,214,109
North Dakota	-0-	-0-	233,432
Ohio	-0-	-0-	2,357,426
Oklahoma	-0-	-0-	660,838
Oregon	-0-	-0-	566,278
Pennsylvania	-0-	-0-	2,592,563
Rhode Island	-0-	-0-	303,195
South Carolina	-0-	-0-	672,394
South Dakota	-0-	-0-	243,309
Tennessee	-0-	-0-	960,483
Texas	-0-	-0-	2,585,418
Utah	-0-	-0-	341,649
Vermont	-0-	-0-	197,920
Virginia	-0-	-0-	1,117,870
Washington	-0-	-0-	820,957
West Virginia	-0-	-0-	475,720
Wisconsin	-0-	-0-	1,053,780
Wyoming	-0-	-0-	174,177

[1] FY 1976 funding level recommended by American Library Association.

SURVEY OF STATE LIBRARY AGENCIES ON LIBRARY CONSTRUCTION

Preliminary Report

The states report that approximately 226 library construction projects could be started by July 1, 1975 (column 1); an additional 224 projects could be underway by January 1, 1976 (column 2); 293 more could start by July 1, 1976 (column 3) if LSCA II is funded in FY 1975. An additional 766 projects are needed over the next 2-3 years (column 4).

	7/1/75	1/1/76	7/1/76	1976-78
TOTAL No. of Projects:	226	224	293	766
Alabama	2			3
Alaska	12	2	5	30
Arizona			2	5
Arkansas		3	2	
California	24	20		
Colorado	1	8	7	36
Connecticut	5	7	16	35
Delaware				
Florida	6	7	6	41
Georgia	2	3	7	27
Hawaii				
Idaho	12	10	5	8
Illinois	1		30	25
Indiana	3	2	5	20
Iowa	15	14	34	
Kansas	1			5
Kentucky	2	4	5	9
Louisiana	9			36
Maine	4	1	1	15
Maryland	2	2	2	11
Massachusetts	1	1	4	60
Michigan	11	16		35
Minnesota	2	5	7	16
Mississippi	22	17	16	42
Missouri	1	2	2	10
Montana		6		
Nebraska	3			12
Nevada	1	1		3
New Hampshire	3		7	15
New Jersey	2	6	20	
New Mexico	1	1	7	25
New York	7	20	23	
North Carolina	4	4	1	15
North Dakota				5
Ohio				
Oklahoma	3	4	5	4
Oregon	3	4	5	5
Pennsylvania	4	4	5	12
Rhode Island	4	2	5	16
South Carolina			1	3
South Dakota	1	2	2	15
Tennessee			1	8
Texas	18	27	15	39
Utah	9		3	22
Vermont	3	3	1	15
Virginia	3	4	4	7
Washington	6	4	13	36
West Virginia	3	3	3	25
Wisconsin	6	3	12	11
Wyoming	4	2	4	4

LIBRARY SERVICES AND CONSTRUCTION ACT --TITLE II

A backlog of construction projects has built up since LSCA II has not been funded in FY 1974 or 1975. The States report that if LSCA is funded now, 226 construction projects, with the necessary matching funds available, could be started by July 1, 1975; 224 more by January 1, 1976; and 293 more by July 1, 1976. In addition to all of these, there is a need for at least 766 library construction projects over the next 2-3 years. LSCA II funds are needed now, so that communities may begin to build some of these badly-needed community facilities. A few examples follow:

NEW JERSEY - If sufficient LSCA title II funds are provided in FY 1976, New Jersey estimates that 28 library construction projects could be started, totaling about $22 million. These libraries would serve close to 800,000 persons in the State. The federal share of LSCA II projects in New Jersey can go up to 41 per cent. The remainder is provided from State and local sources.

KENTUCKY - IF LSCA title II appropriations are available now, two library constructio projects in Boyd and Henderson Counties could be ready by July 1, 1975. Four additiona projects in Bourbon, Fayette, Henry, and Hopkins Counties, could be ready by January 1, 1976, and five more by July 1, 1976, in Graves, Knox, Allen, Lee, and McCreary Counties. Other library construction projects are needed in Boyle, Carroll, Greenup, Harlan, Knott, Hardin, Pike, Shelby, and Taylor Counties. In Kentucky, the federal share of LSCA II projects is 60 percent, with the localities providing the matching funds.

PENNSYLVANIA - Six branch library buildings in Philadelphia would be ready to start in FY 1975 if LSCA title II is funded, as would a new local library in Bensalem Township, Bucks County; and new central libraries in Allentown, Lehigh County, and Chester Count Exton. Other projects that could be started would be located in Marple Township, Radno Township, Monroeville, and in Dauphin County, a new branch building of the East Shore Area Public Library. LSCA title II funds needed for these projects: $4,704,000. Local matching funds available: $9,457,000.

WISCONSIN - With $1,250,000 from LSCA title II in FY 1976, the Gilbert M. Simmons Public Library in Kenosha would receive $2,550,000 in matching funds to construct a new 95,000 square-foot facility. Berlin Public Library, Jefferson Public Library, and Kaukauna Public Library could begin new expansion projects with $262,500 from LSCA title II for which the necessary local matching of $785,500 would be available.

MISSISSIPPI - In FY 1976, Mississippi has identified 29 library construction projects that would be ready to go if LSCA title II funds are available. Drew, Yazoo City, Morton, Calhoun City, Poplarville, West Point, New Albany, Southaven, Lake,Pearl, Greenwood, Amory, Vicksburg, Horn Lake, Olive Branch, Quitman, Bassfield, Prentiss, Winona, Biloxi Carrollton-North Carrollton, Vaiden, Belmont, Walnut, Decatur, Woodville, Indianola, Tutwiler, Orange Grove, Jackson, Meadville, Leakesville, Gautier, Louisville, Hattiesburg, Isola, Laurel, and Holly Springs -- a population totaling 432,213 would be served by these libraries. Total LSCA title II funds would come to $7,139,277, with matching funds at $4,792,850.

KANSAS - At the present time, Kansas has only one library with matching funds available a branch library for the Wichita Public Library, with a total cost of $75,000 for which they would request $25,000 from LSCA. However, there are 5 libraries that have expressed an interest in the availability of title II funds. If LSCA II funds were to become available, these libraries would work to get matching funds. All are working toward new headquarters buildings. They are: Junction City, Arkansas City, Parsons, Saint Francis, and Emporia.

Estimated Grants for interlibrary Cooperation--LSCA Title III
(Note: totals include outlying territories not listed)

	1975 Appropriation	1976 Budget	1976 Recommended Appropriation1/
TOTALS ...	$2,594,000	-0-	$18,200,000
Alabama	47,898	-0-	307,924
Alaska	40,736	-0-	64,933
Arizona	44,617	-0-	196,629
Arkansas	44,532	-0-	193,758
California	85,997	-0-	1,600,395
Colorado	45,497	-0-	226,474
Connecticut	46,860	-0-	272,714
Delaware	41,276	-0-	83,294
District of Columbia	41,635	-0-	95,458
Florida	57,250	-0-	625,186
Georgia	50,731	-0-	404,032
Hawaii	41,873	-0-	103,543
Idaho	41,728	-0-	98,632
Illinois	64,892	-0-	884,420
Indiana	51,813	-0-	440,752
Iowa	46,377	-0-	256,318
Kansas	45,042	-0-	211,060
Kentucky	47,412	-0-	291,453
Louisiana	48,343	-0-	323,035
Maine	42,314	-0-	118,504
Maryland	49,074	-0-	347,818
Massachusetts	52,916	-0-	478,153
Michigan	60,181	-0-	724,619
Minnesota	48,664	-0-	333,915
Mississippi	45,160	-0-	215,065
Missouri	50,619	-0-	400,254
Montana	41,626	-0-	95,156
Nebraska	43,414	-0-	155,828
Nevada	41,227	-0-	81,632
New Hampshire	41,768	-0-	99,992
New Jersey	56,314	-0-	593,452
New Mexico	42,448	-0-	123,037
New York	80,567	-0-	1,416,188
North Carolina	51,809	-0-	440,601
North Dakota	41,414	-0-	87,978
Ohio	63,927	-0-	851,704
Oklahoma	45,944	-0-	241,661
Oregon	44,942	-0-	207,660
Pennsylvania	66,419	-0-	936,253
Rhode Island	42,154	-0-	113,063
South Carolina	46,067	-0-	245,816
South Dakota	41,519	-0-	91,530
Tennessee	49,121	-0-	349,404
Texas	66,344	-0-	933,683
Utah	42,561	-0-	126,890
Vermont	41,038	-0-	75,209
Virginia	50,789	-0-	405,996
Washington	47,642	-0-	299,235
West Virginia	43,982	-0-	175,095
Wisconsin	50,109	-0-	385,084
Wyoming	40,787	-0-	66,671

1/FY 1976 funding level recommended by American Library Association

LIBRARY SERVICES AND CONSTRUCTION ACT -- TITLE III

The only federal program specifically designed to encourage interlibrary cooperation, LSCA III has enabled the states and localities to cross jurisdictional lines and to coordinate the services of libraries of all kinds, thus providing greatly improved library service to all. A few examples of the kinds of projects made possible by LSCA title III are provided below:

MASSACHUSETTS - The Lowell Area Council on Interlibrary Networks received a FY 1974 LSCA III grant to utilize the broadcasting facilities of WLTI-FM in Lowell. The programming will be oriented toward increasing community awareness of the information resources available in the greater Lowell area. The local chapter of the National Association of Businessmen is developing consumer-related information to be used on the radio. The Middlesex County Extension of the Massachusetts Department of Agriculture will be contributing agricultural information for release over the station's airwaves. Senior citizens groups and the Merrimack Valley Home Care Center are also participating in the project.

MISSISSIPPI - A city official in a small town (population 6,800) went to his public library for as much material as possible on sanitary landfills. His library is part of a multi-county library system and the request was referred immediately to the system headquarters. The request could not be filled there and since it was an emergency, a call was made to one of the state's reference librarians via the reference telephone teletype system. The same day the desired information was in the mail to the requesting library from the University of Mississippi, Mississippi Research and Development, and the State Board of Health Sanitary Engineering Division. LSCA title III has enabled Mississippi to better use the entire information resources of the State, as the above example illustrates.

PENNSYLVANIA - Pennsylvania benefits from LSCA title III by having exchange of materials among different types of libraries made easy through (1) a van delivery service connecting 150 libraries across the state, (2) having academic and public libraries record the books they purchase in a central computer file so that a library can instantly determine what other libraries own a specific book needed by a library patron, and (3) having access to a union library catalog that lists the complete holdings up to 1974 of over 100 libraries in Pennsylvania. The catalog is being published on microfilm and will be situated at several locations throughout the state.

LOUISIANA - With assistance from LSCA III, in Southeast Louisiana 5 public libraries, 8 academic and 3 special libraries have formed a cooperative library network to make their broad and varied resources available to all the people of the New Orleans area. By means of rapid communication and delivery systems, technical information on various types of phosphates was rushed from the U.S.D.A. Research Library in New Orleans to a chemist at a fertilizer plant in a town 25 miles away. Copies of journal articles were rushed from the Louisiana State University Medical School Library in New Orleans to a farmer 30 miles away whose cattle were suffering from anaplasmosis.

GEORGIA - The Georgia Library Information Network makes information from over 90 public, academic, and special libraries accessible to all citizens in the state. Do you need an answer? Dial your local library. This is your channel to the information network. Any request for materials or information your local library cannot supply will be referred to the network, giving you access to the library resources of the entire state. This is an example of how Georgia has benefited from LSCA title III.

LIBRARY SERVICES AND CONSTRUCTION ACT -- ALL TITLES

The program effectiveness of LSCA has been seriously jeopardized in recent years by delayed appropriations, impoundment, rescissions and deferrals, as the following examples from the States illustrate:

MICHIGAN - The delayed, impounded or deferred appropriations of federal funds has caused tremendous hardship in Michigan. Over 31 positions have been lost at the State Library as a result of uncertain federal funding. Any long-range planning for project development and/or implementation has been curtailed numerous times resulting from delays of federal appropriation. Here it is March 1975 and the State has a grant award of only half of the appropriation passed by Congress for LSCA.

PENNSYLVANIA - Delayed funding seriously jeopardizes significant progress made throughout the state in such areas as statewide delivery services, automated cataloging systems, film services, and library development advisory services. Impoundment makes long-range planning impossible. It raises the expectations of the community and ultimately the library user -- only to let them down which further erodes their confidence in government.

IOWA - Delayed appropriations and impoundment have created many problems in the administration of federal programs. Libraries lacking the resources to continue LSCA-assisted programs on their own budget prematurely, are forced to close what might have been a very successful service program. Delivery systems to the handicapped, aging and isolated, suffer the greatest damage due to increased fuel costs, and the lack of stability in funding.

NEW YORK - Projects are dropped or delayed. State planning is impossible. Staff is laid off, and those that remain are plagued with uncertainties. Chaos is created generally. We desperately need assurance of advanced funding for the best and most effective use of federal funds.

WISCONSIN - Delayed availability of appropriations interferes most seriously with the joint state/local planning for LSCA projects. This is particularly characteristic for communities where the local share of project funding is difficult to obtain.

ALABAMA - The primary problem is the inability to pursue a project, planned as a continuing project, without the assurance that funds are forthcoming. Either a project must be dropped or interrupted, or the Agency must proceed with local funding anticipating reimbursement from the federal funds; the latter is unwise and in some cases is not allowable under the law. Some libraries have decreased hours open, some have discontinued or curtailed special service projects.

CALIFORNIA - A project cannot be sustained when the federal fund flow is interrupted causing years of pre-planning to be wasted, staff redirected to other areas of need. When federal funds are withheld, even for a short period, the effect is disastrous in light of the percentage of public funds wasted because of the shut-down and start-up of a project.

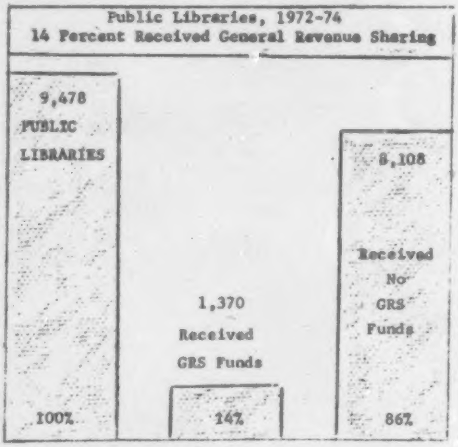
KANSAS - Many problems result from delayed funds. Programs are all written and ready to go into operation. Then the delay comes and the program is no longer effective as the situation has changed during the lapse of time. The personnel who wrote the programs many times have left by the time the funds come. New people must be hired, trained and then the programs rewritten. If appropriated funds would come on time, it would prevent this waste of time, people, and money.

GENERAL REVENUE SHARING AND PUBLIC LIBRARIES

Revenue Sharing Dollars for Libraries Some 35,000 units of state and local government reported spending about $82 million of their general revenue sharing dollars on public libraries in 1973-74, according to the U.S. Office of Revenue Sharing. About $6 million of this amount came from the states' revenue sharing entitlements, with 90 percent devoted to capital expenditures. The remaining $76 million represents library-related expenditures by local governments, with 39 percent for capital and 61 percent for operating and maintenance.

What is the impact of general revenue sharing upon library service throughout the nation? The information collected to date by the Office of Revenue Sharing presents no clues.

Number of Libraries Receiving Revenue Sharing In 1974, the American Library Association surveyed the states in an effort to learn how many public libraries were receiving general revenue sharing. The survey showed that 1,370, or approximately 14 percent of the nation's public libraries* had received at least some funds from general revenue sharing. The great majority, some 86 percent of America's public libraries, were not touched by either state or local government general revenue sharing entitlements.



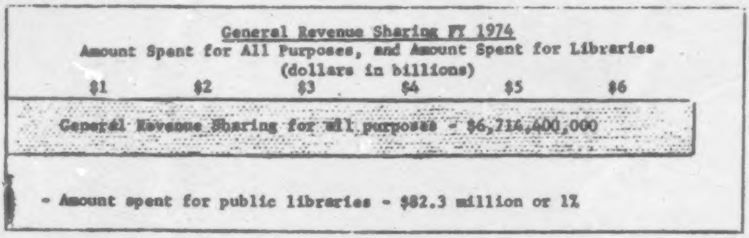
Public Libraries, 1972-74
14 Percent Received General Revenue Sharing

*The total number of public libraries in each state, as reported by the states themselves, is 9,478. In some cases, however, the states provided number of library systems instead of number of individual libraries. Accordingly, the total number of individual libraries, including branches, is somewhat higher.

Local Library Support Supplanted? In 1975, the American Library Association surveyed the states again, and this time was able to identify nearly $73 million in general revenue sharing spent on library-related projects. Twenty-eight states estimate that $25.7 million or about 46 percent of their combined state and local library revenue sharing expenditures (which amounted to $56 million) represents "replacement money," that is, federal money used to supplant state or local library support. The remaining states have been unable to provide any information on the degree to which revenue sharing has supplanted state or local support. See the attached state-by-state table which shows the revenue sharing dollars spend for libraries and, where available, the portion of this amount estimated to have replaced library support from state or local sources.

General Revenue Sharing No Substitute for LSCA There is no question that general revenue sharing has been of assistance to some libraries. While it has been used as "replacement money" for many libraries, it has also provided "new money" for others, enabling them to undertake new projects and services that otherwise might not have been started. But contrary to the policies of the Nixon and Ford administrations, general revenue sharing is clearly not an acceptable substitute for the Library Services and Construction Act, which the U.S. Office of Education wants to phase out.

General Revenue Sharing is dispersed to over 38,000 units of general purpose government for general fiscal assistance. Over all, libraries have received only 1 percent of all general revenue dollars expended to date, the preponderance going to such vital community services as public safety and transportation. Local governing authorities in many instances have informed libraries that what funds they are provided under general revenue sharing are "one time only" funds and libraries should not expect to receive revenue sharing dollars another year.



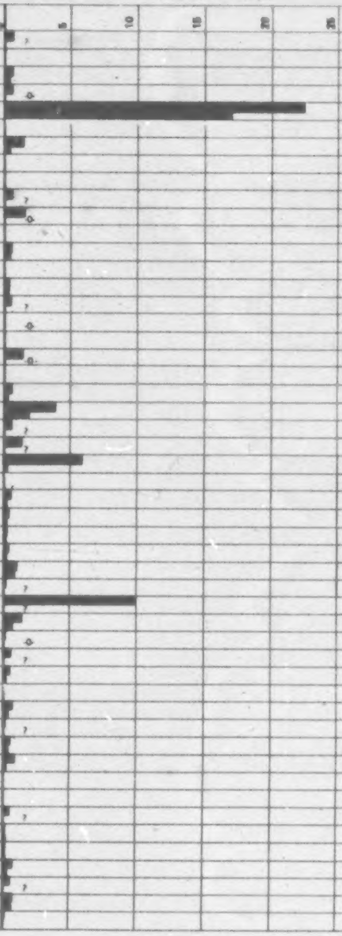
General Revenue Sharing FY 1974
Amount Spent for All Purposes, and Amount Spent for Libraries
(dollars in billions)

The Library Services and Construction Act (LSCA), on the other hand, is a state-based program, with a designated library administrative agency in charge of coordinated statewide library development. LSCA encourages service to the unserved and interjurisdictional interlibrary cooperation to make the best possible use of all libraries in a given locality, region, or state. In order to participate in any LSCA program, each state must develop a comprehensive 5-year plan based on state priorities, procedures and activities for meeting the library and information needs of all the people. Each state must create a broadly representative state advisory council to assist in developing the plan. Statewide planning and coordination to provide high quality library and information service to all people are primary goals of LSCA.

Attachment: General Revenue Sharing Dollars for Libraries (state table)

General Revenue Sharing Dollars for Libraries
with
Portion Used as Replacement for State or Local Library Support[1/]

(Dollars in Millions)



STATES	Revenue Sharing	Replacement Amount	Replacement Percent
1. Alabama	$ 455,000	$ Unknown	? %
2. Alaska			
3. Arizona	603,232	237,000	39
4. Arkansas	689,886	-0-	-0-
5. California	22,802,197	17,410,132	76
6. Colorado			
7. Connecticut	1,773,992	236,000	13
8. Delaware			
9. District of Columbia			
10. Florida	290,561	Unknown	?
11. Georgia	1,728,000	-0-	-0-
12. Hawaii			
13. Idaho	756,641	450,000	59
14. Illinois			
15. Indiana	66,392	16,526	25
16. Iowa	655,229	Unknown	?
17. Kansas	235,792	-0-	-0-
18. Kentucky			
19. Louisiana	2,082,311	-0-	-0-
20. Maine			
21. Maryland	634,562	87,172	14
22. Massachusetts	4,248,510	1,761,689	41
23. Michigan	1,265,700	Unknown	?
24. Minnesota	2,238,133	Unknown	?
25. Mississippi	5,924,505	63,048	1
26. Missouri			
27. Montana	816,892	43,211	5
28. Nebraska	136,866	34,216	25
29. Nevada	146,388	[illegible],000	60
30. New Hampshire	288,612	162,987	56
31. New Jersey	1,346,527	800,000	59
32. New Mexico	332,100	Unknown	?
33. New York	10,032,385	Unknown	?
34. North Carolina	2,185,806	913,112	42
35. North Dakota	158,497	-0-	-0-
36. Ohio	1,033,681	Unknown	?
37. Oklahoma	630,994	255,765	41
38. Oregon			
39. Pennsylvania	1,068,814	552,265	52
40. Rhode Island	230,372	Unknown	?
41. South Carolina	1,289,087	898,161	70
42. South Dakota	1,915,071	12,283	1
43. Tennessee			
44. Texas			
45. Utah	543,837	Unknown	?
46. Vermont	183,938	108,180	59
47. Virginia	216,693	209,581	97
48. Washington	1,635,037	114,514	7
49. West Virginia	625,000	Unknown	?
50. Wisconsin	1,301,433	1,282,044	99
51. Wyoming	180,500	5,000	3

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[1] Preliminary results of a 1975 state survey by the American Library Association Washington Office show that almost $73 million of general revenue sharing funds have been spent for public libraries in 39 states. Twenty-eight states estimate that $25.7 million or 46 percent of their combined state and local library revenue sharing expenditures ($56 million) represents "replacement money," i.e., federal money that supplants state or local library support. Eleven states have been unable to provide data on the degree to which revenue sharing has supplanted state or local library support. The remaining 11 states and D.C. have not responded to the survey. The outlying territories are not eligible for general revenue sharing.

Estimated Grants for Libraries and Learning Resources--ESEA Title IV-B
(Note: totals include outlying territories not listed)

	FY 1976 Appropriation for 12 months[1]	FY 1976 Transitional Quarter[2]
TOTALS ...	$137,330,000	$34,332,500
Alabama	2,339,205	584,801
Alaska	250,818	62,704
Arizona	1,424,113	356,028
Arkansas	1,301,669	325,417
California	12,556,971	3,139,243
Colorado	1,608,365	402,091
Connecticut	1,949,787	487,447
Delaware	396,667	99,167
District of Columbia	410,468	102,617
Florida	4,403,497	1,100,874
Georgia	3,144,880	786,219
Hawaii	547,061	136,765
Idaho	543,278	135,819
Illinois	7,112,491	1,778,123
Indiana	3,485,011	871,252
Iowa	1,863,613	465,903
Kansas	1,365,042	341,260
Kentucky	2,150,299	537,575
Louisiana	2,686,649	671,742
Maine	707,173	176,793
Maryland	2,676,362	669,090
Massachusetts	3,606,859	901,715
Michigan	6,186,270	1,546,567
Minnesota	2,659,822	664,955
Mississippi	1,642,403	410,601
Missouri	2,973,213	743,303
Montana	512,205	128,051
Nebraska	986,873	246,718
Nevada	369,743	92,435
New Hampshire	532,849	133,212
New Jersey	4,521,454	1,130,036
New Mexico	828,198	207,049
New York	10,823,688	2,705,922
North Carolina	3,345,702	836,425
North Dakota	436,953	109,238
Ohio	7,044,168	1,761,042
Oklahoma	1,642,470	410,617
Oregon	1,360,213	340,053
Pennsylvania	7,313,595	1,828,399
Rhode Island	591,999	147,999
South Carolina	1,849,041	462,260
South Dakota	475,743	118,936
Tennessee	2,572,743	643,186
Texas	7,801,883	1,950,471
Utah	843,256	210,814
Vermont	326,157	81,539
Virginia	3,081,125	770,281
Washington	2,179,843	544,960
West Virginia	1,129,343	282,336
Wisconsin	3,090,423	772,606
Wyoming	247,648	61,912

[1] Advance funded for 12 months, July 1, 1975-June 30, 1976 (PL 93-554).
[2] One quarter of FY 1976 appropriation ($137,330,000) for July 1-Sept. 30, 1976.

Estimated Grants for Libraries and Learning Resources-ESEA Title IV-B
(Note: totals include outlying territories not listed)

	1977 Budget	1977 Recommended Appropriation[1]
TOTALS ...	$137,330,000	$175,000,000
Alabama	2,340,573	2,982,599
Alaska	246,786	314,479
Arizona	1,382,003	1,761,090
Arkansas	1,288,484	1,641,918
California	12,697,802	16,180,843
Colorado	1,600,214	2,039,156
Connecticut	1,956,106	2,492,670
Delaware	381,869	486,616
District of Columbia	402,651	513,098
Florida	4,455,141	5,677,198
Georgia	3,179,646	4,051,831
Hawaii	545,527	695,167
Idaho	524,745	668,684
Illinois	7,149,007	9,109,998
Indiana	3,480,985	4,435,828
Iowa	1,859,989	2,370,188
Kansas	1,392,394	1,774,330
Kentucky	2,145,741	2,734,323
Louisiana	2,647,107	3,373,214
Maine	675,415	860,682
Maryland	2,693,867	3,432,802
Massachusetts	3,613,470	4,604,654
Michigan	6,143,678	7,828,905
Minnesota	2,634,118	3,356,663
Mississippi	1,615,800	2,059,017
Missouri	2,971,826	3,787,005
Montana	498,768	635,581
Nebraska	981,949	1,251,299
Nevada	358,489	456,824
New Hampshire	514,354	655,442
New Jersey	4,623,995	5,892,369
New Mexico	802,705	1,022,889
New York	11,004,068	14,022,512
North Carolina	3,364,086	4,286,863
North Dakota	433,824	552,822
Ohio	6,977,556	8,891,517
Oklahoma	1,618,398	2,062,328
Oregon	1,363,819	1,737,918
Pennsylvania	7,258,113	9,249,034
Rhode Island	581,896	741,510
South Carolina	1,836,609	2,340,396
South Dakota	459,802	585,926
Tennessee	2,561,381	3,263,974
Texas	7,710,121	9,825,029
Utah	813,096	1,036,129
Vermont	303,937	387,307
Virginia	3,091,322	3,939,280
Washington	2,174,317	2,770,737
West Virginia	1,096,250	1,396,953
Wisconsin	3,060,149	3,899,555
Wyoming	231,200	294,618

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[1] FY 1977 funding level recommended by American Library Association

LIBRARIES AND LEARNING RESOURCES -- ESEA TITLE IV-B

The new ESEA title IV-B provides assistance to the state for library materials, educational equipment, and guidance, counseling and testing. Many needs remain in elementary and secondary schools throughout the nation for improved instruction in basic skills such as reading and writing, and in newer subject areas such as ecology, drug abuse, or career education. The following examples from the states illustrate some of the educational needs that can be met at least in part with assistance from the new ESEA title IV-B:

ALABAMA - Instruction in the arts and humanities is still in the beginning stage, with under 10 percent of the schools having adequate materials for instruction in this area. Instruction in industrial arts is being planned for the first time as something beyond a traditional woodworking program. Materials are needed to back up these developments in the curriculum.

PENNSYLVANIA - Pennsylvania conducted what the U.S. Office of Education has termed an "excellent" equipment and materials needs assessment during FY 1972. The study provided objective evidence that schools lack sufficient instructional aids for classroom use. More than 59 percent of all schools were found to be deficient in equipment, and materials were needed in all subject areas and categories. The total estimated amount needed to provide sufficient laboratory, audiovisual, and other special equipment, and audiovisual and reference materials for Pennsylvania schools to meet standards in the academic subjects is $53.1 million. Needs appear particularly acute in industrial arts, the arts and humanities, mathematics, economics, and reading.

ALASKA - While most Alaskan school districts have made considerable progress in securing instructional materials and equipment, a shortage still exists for several reasons. District enrollments are increasing, equipment and instructional aids and materials wear out and/or become obsolete, and more materials and equipment are needed to support individualized instruction and the open concept in elementary schools.

CALIFORNIA - Reading, science and mathematics are subject areas in need of library materials and educational equipment in California. The state is moving toward meeting each student's special needs through individualized instruction which often requires use of audiovisual materials in addition to books and other printed materials.

KENTUCKY - There still exists a shortage of all types of materials at all levels. Many libraries are still holding out-dated, worn, and inappropriate materials. With the emphasis being placed on new teaching methods and individualization of instruction, more materials, as well as a greater variety of types, are needed.

CONNECTICUT- Teachers involved in projects in oceanography, early childhood education, drug education, and ecology have experienced problems in having quality materials in these areas. Moreover, audiovisual materials are needed as well as books. A recent survey of Connecticut schools showed that 82 percent had no films at all.

MICHIGAN - Elementary schools have great need for high-interest low-vocabulary books to help nonreading students learn to read. Reading and communication need the most strengthening in terms of new library books and audiovisual resources.

ARIZONA - The Douglas Public School District #27 has a very high proportion of Mexican-American pupils. Improvement of reading is a major objective in the District schools. NDEA title III funds were used for extensive remodeling of a former rifle range to create a media center. ESEA title II funds were used to purchase a paperback collection and other print and nonprint materials.

HIGHER EDUCATION ACT - Title II-A

Estimated Basic Grant Entitlements for College Library Resources

	Number of Institutions[1]	Estimated Entitlement[2]	Enrollment[1]
Alabama	54	$ 270,000	144,185
Alaska	9	45,000	14,118
Arizona	21	105,000	152,218
Arkansas	27	135,000	56,674
California	243	1,215,000	1,530,178
Colorado	39	195,000	136,469
Connecticut	50	250,000	144,925
Delaware	9	45,000	29,053
District of Columbia	17	85,000	81,421
Florida	72	360,000	308,068
Georgia	66	330,000	155,643
Hawaii	12	60,000	43,861
Idaho	9	45,000	35,712
Illinois	146	730,000	533,249
Indiana	63	315,000	202,624
Iowa	64	320,000	113,719
Kansas	51	255,000	113,240
Kentucky	37	185,000	113,296
Louisiana	30	150,000	140,565
Maine	25	125,000	36,634
Maryland	52	260,000	186,604
Massachusetts	122	610,000	350,759
Michigan	95	475,000	452,570
Minnesota	65	325,000	166,196
Mississippi	45	225,000	86,945
Missouri	79	395,000	200,751
Montana	12	60,000	27,982
Nebraska	29	145,000	67,292
Nevada	6	30,000	24,768
New Hampshire	25	125,000	34,399
New Jersey	63	315,000	274,313
New Mexico	17	85,000	50,666
New York	283	1,415,000	954,471
North Carolina	118	590,000	223,172
North Dakota	15	75,000	28,544
Ohio	133	665,000	408,345
Oklahoma	53	265,000	132,802
Oregon	42	210,000	138,545
Pennsylvania	154	770,000	446,799
Rhode Island	14	70,000	59,436
South Carolina	53	265,000	114,402
South Dakota	17	85,000	26,855
Tennessee	66	330,000	163,887
Texas	144	720,000	548,829
Utah	14	70,000	84,760
Vermont	22	110,000	28,289
Virginia	73	365,000	214,965
Washington	46	230,000	210,013
West Virginia	28	140,000	71,250
Wisconsin	59	295,000	227,235
Wyoming	8	40,000	16,132
TOTALS	2,996	$14,980,000	10,137,065

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[1] Based on 1974 Higher Education Statistics, USOE

[2] Educ. Amdts. of 1972 (PL 92-318) mandate a matching basic grant of up to $5,000 for every eligible institution.

HIGHER EDUCATION ACT -- TITLE II-A (COLLEGE LIBRARY RESOURCES)

In these days when every dollar counts, small amounts of money can make the difference between success and failure for a college library struggling to keep up with the needs of students and faculty. Officials in the U.S. Office of Education say the $5,000 grants authorized under Title II-A are too small to do any good. But here is how the directors of eight typical college libraries feel about this vital program:

KENTUCKY - Elizabethtown Community College - "Approximately half of our students are enrolled in career programs and Title II-A funds have made it possible for us to provide current materials for these programs. For example, business management courses have required the purchase of a variety of business periodicals, cassette tapes, filmstrips and slides, as well as books. Without these funds there would be no way with our present budget to continue updating of materials. Furthermore, the development of new programs would be halted."

KANSAS - Washburn University - "It is impossible in a short space to cover adequately the assistance given by Title II to various departments and programs. Title II grants made possible the first purchases of new materials as the curriculum expanded; an example is the new Department of Nursing program. Also, Title II grants made possible additions to existing programs permitting them to adjust their programs to meet community needs. These grants were used to develop new areas in sociology, such as medical and urban anthropology. The Law School library, which was destroyed by a tornado in 1966, has rebuilt its collection largely with Title II grants. This has enabled the libary to acquire materials needed for new legal programs such as environmental law."

PENNSYLVANIA - College Misericordia - "Last year's grant was used to purchase books and audiovisual materials for our American Studies and Black Studies programs. Without this money we would not have been able to buy such things as a $250 set of 190 slides on American prints, painting and contemporary art, Great Documents of the American Indian, President Polk's Correspondence and the eight volumes of Watergate hearings. These works are badly needed now since these two programs are only about three years old and are very popular. If it weren't for the Title II money we would not be able to provice materials for these courses."

IOWA - Southwestern Community College - "The majority of the current year's grant was used for a new vocational program in farm equipment repair .... Most of the grant was used for non-print instructional media and equipment manuals. Eight Veteran-agriculture programs also utilize the same materials for approximately 280 students."

OHIO - Cuyahoga Community College - "Whenever a new course is added to the curriculum there is a need for additional library materials. This has been especially true in certain technical areas, such as x-ray technology, and courses in the Black Studies area. The grant we received in 1973-74 enabled us to augment our holdings in the occupational and career guidance areas, including the establishment of a Careers Center for the library."

ARIZONA - Navajo Community College - "Since we are the largest library on the Navajo Reservation we feel obligated to serve the needs of all Navajos. The most requested material is that on Native Americans, which is available to all from our Moses-Donner Collection of Indian Materials .... /Title II-A/ money has proved invaluable in building this collection. Without this money we would not be able to keep current with the latest material in the field and the students and community would suffer."

HIGHER EDUCATION ACT - TITLE II-B (Library Research and Demonstration)

One-third of the funds appropriated for Title II-B are to be used for demonstrations to improve library service and library education. Projects supported under this program are not far-out theoretical studies but are common-sense efforts to discover better and more practical ways to help people obtain needed information. Among the programs funded in FY 1974 were these:

ILLINOIS - Chicago Public Library - This demonstration provides specialized library services for Mexican-American residents of Chicago's Pilsen neighborhood. The library has hired a Chicano staff and purchased a mini-van to take library services into the community. In addition to making traditional library services available, the experiment has demonstrated the value of a library sponsoring tutorial programs and providing community seminars on such subjects as nutrition, immigration and workers' rights.

NEW YORK - College Entrance Examination Board - This program updates the old idea that public libraries should be the university of the common man. The project involves educators from the College Entrance Examination Board, twelve public libraries and a state agency in a program to help adults who wish to continue learning even though they have completed their formal education. The three-phase experiment has taught the librarians to guide inquiring grownups to pursue informal studies, has shown the libraries what materials are necessary to maintain this "university without walls" and is now being refined as a model for other libraries to emulate.

COLORADO - University of Denver - A consortium of libraries in 12 mountain and plains states has been designated by NASA as one of the users of the newest communications technology satellite, to be launched next year. The University of Denver experiment will test the practicality of using satellite-relayed television to teach paraprofessional and professional librarians the latest techniques in providing information to library patrons. Programs produced for satellite transmission will be available for other uses and an analysis of costs will be produced.

SOUTH CAROLINA - Old Slave Mart Museum - This project will establish a library in the country's oldest museum of Afro-American history and art, on South Carolina's Sullivan's Island. Under the grant the foundation will identify and catalog a large collection of books and artifacts and will prepare traveling exhibits on Black culture and history for use next year during the bicentennial. The final report of the project is designed as a handbook on available Afro-American cultural materials.

WYOMING - Wind River Education Association - This one-year project will develop library services for Indians on the Wind River Reservation. Based on demonstrations conducted with federal money by the National Indian Education Association in past years, this project will provide a librarian to establish the library and acquire the needed materials as set out in the association's model. The Wind River experiment should test the practicality of producing similar libraries on other Indian reservations across the country.

USE OF PUBLIC LIBRARIES

Ms. COOK. As you know, I am representing the American Library Association, which is a nonprofit organization. We are looking forward to celebrating our 100th anniversary next year.

We have considerable misgivings, as Congress does, with the state of the economy. However, despite the inflationary situation and the recession, we are finding that public libraries are experiencing a great upsurge in their usage now, harking back in the memories of many librarians who were on the job in the Depression period to that same situation, where when people were out of work they turned then to their public library as a source of virtually free service, or at least ostensibly free service. But those services do require maintenance, and at least minimal funding in order to remain open for access to the public.

Senator EAGLETON. Will you speak up?

Ms. COOKE. We point out this fact in our testimony, and call your attention to it. There have been many newspaper stories recently right here in the District and in many parts of the country showing that people are going back to the library. They are seeing it as a source of information for brushing up on their skills, whether they are taking civil service tests or just reading want ads or using professional journals that they can no longer afford to subscribe to.

This is true in junior colleges and school libraries to some extent, too. However, again, to provide these services, we are to some extent dependent, as are many of the libraries around this country, for Federal funds to at least stimulate local matching effort in some State dollars.

The programs that we are most concerned with here today are the Library Services and Construction Act; title IV–B of the Elementary and Secondary Education Act; title II of the Higher Education Act; and the Medical Library Assistance Act. Each of these is covered in some detail in this statement.

On the covering page of the testimony we have broken out the various components. The first section of funds are the programs I have just mentioned. You will see in the upper third of the covering sheet that last year there was $345 million appropriated for these programs, and this year the budget is requesting only $167.3 million.

However, the American Library Association is urging that at least $394 million be appropriated. Considering the inflationary situation, just pointing to the increased price in books, is one factor that needs to be taken in consideration.

Senator EAGLETON. Just hold it 1 minute. I want to ask you a question.

Ms. COOKE. If I might point out——

Senator EAGLETON. Ms. Cooke, see if your figures jibe at least in part with ours. I think they do. Library services, last year's appropriation was $51,749,000

Ms. COOKE. That is correct. We have the total figure up at the very top.

Senator EAGLETON. Then for title IV–B, "Libraries and learning resources," $135,580,000.

Ms. COOKE. That is correct.

Senator **Eagleton**. For "College library resources," $9,975,000.

Ms. **Cooke**. Yes.

Senator **Eagleton**. For "Training and demonstration," $3 million.

Ms. **Cooke**. That is correct.

And for "Undergraduate and instructional equipment," $7,500,000.

Ms. **Cooke**. That is correct.

Senator **Eagleton**. So we have compiled our figures in a somewhat different way than you have yours.

For those programs in the President's budget, instead of the $51,749,000 that was appropriated last year, the President recommends $10 million.

Ms. **Cooke**. $10 million; that is right.

It is sad to say that.

Senator **Eagleton**. And for "School libraries and instructional resources," $137,330,000.

Ms. **Cooke**. That is correct.

Senator **Eagleton**. And nothing for the other programs that we mentioned?

Ms. **Cooke**. That is right.

Senator **Eagleton**. I just wanted to get these figures.

Ms. **Cooke**. I share the committee's consternation in trying to compare last year's figures with this year's or the previous year's. We have spent considerable hours, and understand completely the problem. We are almost in the position of comparing apples and oranges, because previously these programs were not consolidated in the area of school library programs, and they represented three separate program areas. They have now been consolidated and the funding has shifted from one program to the other slightly between the last 2 years. It was also forward funding for fiscal 1976 put into the 1975 appropriation bill. So, we have to keep reminding ourselves that we have two different sets of equations here.

One of the things that I would like to point out, besides the devastating budget that the administration is presenting—there is the problem that the administration is proposing a budget to cover a 12-month fiscal year, when in reality under the Budget and Program Control Act, we are switching to a 15-month fiscal year; so immediately we are talking about a 25-percent cutback in the actual operating funds for these programs. If that is not taken into consideration, sir, one of the items in the consolidation in our recommended figures is putting in a 25-percent increase to cover that transitional quarter.

I just wanted to point this out because it does look like a jump, a considerable jump in figures, whereas it represents—if you go back to look at some of the attachments in the green pages, we have an allotment table that shows the 3-month period, at the current funding level, would represent $34,332,000.

One of the other things we wanted to call to your attention in the testimony is that quite often the administration and laymen in general will point to the fact that public libraries are listed as one of the priorities in general revenue sharing programs, and that therefore there really is not any need for Federal assistance any longer. While it is true, as the legislation states on both public libraries, they are noted as a priority. They are in competition with funds for law enforcement, health, and safety; and the money is not all that great when it goes out to the 35,000 municipal government jurisdictions.

What we have found in the actual use report that the Treasury Department put out for the Office of Revenue Sharing last month is that libraries have received about 1 percent of the funding. We have a chart attached back toward the end of the testimony which shows the pattern. We are still trying to get more detailed information. But it shows that libraries ostensibly are receiving a rather healthy sum. It still represents about 1 percent, but it is going out in rather strange fashion. You might note California as an example.

Senator EAGLETON. What sheet is it that you are reading from?

Ms. COOKE. This is a white page, just immediately preceding. Right.

California has notified us that it has received, to the best of its knowledge, some $22 million in revenue sharing. However, $17 million of that represents replacement money. In other words, revenue sharing is being used to supplant previous local tax or State tax supports. So in many instances libraries are not receiving any new money. They are just being paid out of a different pocket, and it is called revenue sharing. So, this does not appear to be the answer or a substitute for——

Senator EAGLETON. Would you look at that chart and tell me what the situation is in my home State of Missouri?

Ms. COOKE. In Missouri we have not been able to get an answer, and one of the reasons is that in some municipalities the librarians have not been notified what is revenue sharing and what is not. In other States, Indiana is an example, and so is some parts of Ohio, the libraries represent separate taxing units and they are thereby ineligible for revenue sharing. So, we are trying to work with the Office of Revenue Sharing because we know that the authorizing legislation is due to be considered or possibly expire next year.

We would hope to get a much more complete picture in the next few months for this and give you the picture for Missouri specifically.

Senator EAGLETON. What we are talking about is Missouri. Last year in Missouri, under the basic public library program, the grants to public libraries, they received, according to our figures, $1,064,676.

Ms. COOKE. That is correct.

Under the President's budget they would be slated to receive $189,394, on this first chart, and that is less than the basic grant that is authorized in the statute.

The basic grant to go to each State for the administration of the program is $200,000. Everything over and above that is based on a per capita formula. Under the recommendation which we are making for that same title, title I, the $62 million represents what was appropriated in fiscal 1973. We are trying to be as restrained as possible, recognizing the inflationary situation existing some time ago and still prevailing. But Missouri would receive $1,367,000, not an overly generous amount compared to what they received last year.

Senator EAGLETON. Is that computed on a 15-month period?

Ms. COOKE. Yes, that would be on a 15-month period. But it does represent the fiscal 1973 appropriation. It is not any great increase over that.

I might point out another area that we have been quite distressed and also surprised, I guess, to note. There is a considerable backlog of construction. I think the previous witness related the impact aid picture in the area of public library construction. We did a quick survey in the months of February and March and found out right now the States have ready to go 226 construction projects. In the State of Missouri, right at this moment, they could begin construction on just one; but they have another two within another 6 months; and eventually they have 10 projects.

But on a national scale, there are 226 projects that could be begun between now and July 1. They are lacking Federal matching money to complete the planning and send out contracts for bids.

Senator **Eagleton**. In the fiscal 1975 budget, we did not appropriate any money for library construction.

Ms. **Cooke**. That is correct.

I think one of the reasons besides the inflationary situation was that the fiscal 1973 appropriation of $15 million was, as you know, impounded, and it was not released until February of 1974. It was about that time when you were considering the fiscal 1975 budget. I believe that many Congressmen felt that there was no need because the 1973 money was just being released and the States could use this. However, they have been waiting for a year and a half, and that money was immediately used up because they did have a backlog of construction projects.

Many people point to the fact that we have a Carnegie Library Endowment Fund, and we are quick to say that that used to be. Mr. Carnegie died at the turn of the century and many of those buildings might well be considered national historic sites at this point. But they do need to be renovated in many cases, or in some cases entirely replaced, just looking at the occupational, health, and safety standards as a factor. Approach access for handicapped people, going up 40 steps, to get to the traditional Carnegie Library, is not providing access to the handicapped. There are many factors of that sort. In other cases, they have just outgrown, towns and cities have outgrown the facilities, and they do need new buildings.

Another factor that we have pointed to in this testimony is just the cost of materials that libraries must acquire. The average cost of a book in the last year has gone from $12.20 to $14.09. Periodicals have increased by over 100 percent in the last 5 years. The average subscription now is $17 and some cents. And, if you get into technical journals, if you are talking about college libraries, libraries serving scientific communities and scholarly communities, business books are way up; economic books, scientific journals are an average of $65. A subscription to "Chemical Abstracts," for example, is now $3,000. So, in many cases, the basic college library grant under the higher education title II–A program is a godsend in terms of just permitting an institution to maintain its subscription to "Chemical Abstracts." Any graduate school needs perhaps more than one subscription because it will have a school of medicine, a school of pharmacology.

Yet these are the kinds of problems that are confronting the libraries now. Just a matter of making decision—do they stop buying books so they can maintain their journal file? If you have scholars coming in working on doctoral theses, and they find that the journals are no longer there, or premed students looking for a journal of endocrinology or kinesiology who find the library has stopped buying it, this is not going to serve the scholarly communities.

So, if some minimal is not provided, we may indeed find that we have another crisis on our hands in a couple of years, that we are going to have to go back—one of the great tragedies is that the materials are not always available when they go back.

Senator **Eagleton**. Under which account or which fund does the purchase of books and periodicals come?

Ms. **Cooke**. There would actually be three in the public library field that would come out ot title I of the Library Services Construction Act. This is the amount that was funded at the level of $49,155,000, and we are recommending the 1973 level of $62 million. In the college library field it would be part A; it is the $9,975 figure. In the elementary and secondary area, this is in the new consolidation title IB–V; previously it was title II, the school library resource program work materials. And if you are talking about media centers, just having printed materials is not the answer any longer. Junior colleges—in your own State of Missouri you have some very fine junior colleges—and they have media centers that have films and video tapes and records and all sorts of nonprinted materials that are very expensive to produce but help to facilitate the learning process. In your area of reading improvement this is critical, reaching the semi-illiterates.

Senator **Eagleton**. May I ask you, Ms. Cooke, could you give the committee any estimate as to how much of the money in these three categories that you have given us, library services, title IV–B of the Elementary and Secondary Education Act, and part A of title II of the Higher Education Act, how much money is transformed into books and periodicals? These would be how much goes for administrative costs?

Ms. **Cooke**. In the elementary and secondary field, in the past, when it was called ESEA title II, about 95 percent went into materials. There is a restriction in the law that requires that no more than 5 percent can be used for administrative purposes. This is usually retained at the State level. None of it is used for salaries at the local level, whatever. That is absolutely prohibited. So, that is 95 percent, that is the figure we are given.

In the college library field the same is true. That is used entirely for acquisition of books and nonprinted material or their binding.

In the public library field, there is not any restriction on the uses. It may be used to provide some salaries for operating expenses; but for the most part, it is my understanding that it is used for materials or program coordinators. In recent years they have been involved in something called community Outreach programs, going into deprived areas with bookmobiles and providing field programs. In that case, if they have a special project—as you may know, many of the public libraries have been investing considerable amounts of money in the right to read effort, and they have been involving reading teachers. Some of those salaries are paid where they are doing special services. But to a great extent it is used for materials.

You might be interested to know that we are trying to find out the job impact factor in some of our programs, other than construction. We are told in the publishing field, it is kind of a ball park estimate, that for every $100,000 that is spent in acquiring books, that it probably maintains or provides for nine new jobs. So, either those people are kept on the job, or perhaps nine new people would be hired at various levels to publish. So, it does have a significant job-producing impact.

Senator **Eagleton**. Bookmobiles come under the library services section.

Ms. **Cooke**. Yes; that is right.

Funding for that would come out of title I as far as providing the services.

Senator **Eagleton**. In your recommendations, do you have a specific figure in mind that ought to be allocated for bookmobiles?

Ms. **Cooke**. No. I think perhaps that is something that the States would need to determine on an individual basis, depending on the geographic situation.

In the State of New Mexico, the State library, for all practical purposes, operates as a local library service, because there is such distance between people and they do not have physical facilities. So the State runs bookmobiles out and provides service, going around periodically, maybe once a week or twice a week, or once a month, depending on the resources they have.

So, to put something in the law, saying thou shalt spend so much for bookmobile service would not apply in the city of Philadelphia, perhaps, although many cities do use bookmobile services just to do demonstration, to see if there is enough user interest that would generate or create a demand for constructing a building in some future time.

In closing, again, I just want to thank you for this opportunity and point out one other hope that we have, to see funded the White House Conference on Library and Information Service that was signed into law by the President on December 31. We think that probably the budget was locked up by that late date, and we are in hopes that the President is going to send a big budget request; but with all of the uncertainties for the future, we feel that now is the time to let the States assess their own needs and get their statistics together, and also educate their own governmental officials as to the needs for better State aid and better local aid, so that there will be a proper Federal, State, and local partnership.

Thank you.

Senator **Eagleton**. Thank you, Ms. Cooke, for a very excellent presentation.

American Speech and Hearing Association

STATEMENT OF RICHARD DOWLING, DIRECTOR, LEGISLATIVE AND LEGAL AFFAIRS, AMERICAN SPEECH AND HEARING ASSOCIATION

PREPARED STATEMENT

Senator EAGLETON. We will now hear from Richard Dowling who represents the American Speech and Hearing Association.

Mr. Dowling?

Mr. DOWLING. Senator, I have a statement for the record which I hope you will submit.

Senator EAGLETON. Your entire statement will appear in print.

[The statement follows:]

THE AMERICAN SPEECH AND HEARING ASSOCIATION

The American Speech and Hearing Association (ASHA) is a national scientific and professional society made up of more than 20,000 speech pathologists and audiologists. The speech pathology and audiology profession is the primary discipline concerned with the systems, structures, and functions that make human communication possible; with the causes and effects of delay, maldevelopment, and disturbance in human communication; and with the identification, evaluation, and habilitation of individuals with speech, language and hearing disorders. Speech pathologists and audiologists considered "qualified providers" under Medicare and Medicaid regulations must hold a Master's degree in their field of specialization and have completed a "fellowship year" of supervised clinical internship. These standards are also among those set by ASHA for the achievement, on the part of potential service providers, of the ASHA Certificate of Clinical Competence in speech pathology or audiology. ASHA additionally requires the passing of a national examination administered by the Educational Testing Service, Princeton, New Jersey.

Speech pathology and audiology practitioners render their professional services in such settings as hospital speech and hearing clinics, free-standing outpatient speech pathology and audiology clinics, university outpatient clinics, outpatient rehabilitation centers (e.g., Easter Seal agencies), Veterans Administration hospitals, Head Start programs, private practice, and private and public schools. Among those in the nation's communicatively handicapped population with whom speech pathologists and audiologists work are the many thousands of Americans (including 20 to 25 percent of all persons 65 and older) who experience bilateral hearing losses of a magnitude sufficient to seriously restrict their understanding of speech. Also included are those Americans for whom cancer-caused removal of the larynx results in a total loss of voice, and those who experience a significant reduction in language function (aphasia) as a result of stroke. Clients additionally include children and adults with such identifiable disorders as receptive and/or expressive language impairment, stuttering, chronic voice disorders, and serious articulation problems affecting social, emotional, educational, and/or vocational achievement; and speech and language disorders accompanying conditions of hearing loss, cleft palate, cerebral palsy, mental retardation, emotional disturbance, multiple handicapping conditions, and other sensory and health impairments.

The most recent federal government data puts at 20 million the number of communicatively handicapped Americans.[1] A report on the government's study termed a population of 236,000 deaf Americans "a conservative total."[2] The same report estimated that some 8 1/2 million Americans have "hearing problems of one type or another which are less severe than deafness but which impair communication and hence social efficiency."[3] Americans plagued by central communication disorders (e.g., impairments of speech and language resulting from stroke or mental retardation) were estimated at 2.1 million, and those with speech disorders at an astonishing 10 million.[4]

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[1] Report of the Subcommittee on Human Communication and Its Disorders, National Advisory Neurological Diseases and Stroke Council (NIH), *Human Communication and Its Disorders* -- An Overview, Bethesda, Maryland (1969).

[2] *Ibid.*, p. 11.

[3] *Ibid.*, p. 13.

[4] *Ibid.*, pp. 16-17.

In this statement, ASHA addresses the funding needs of four DHEW education and health program areas with responsibilities and activities that significantly affect both the nation's communicatively handicapped and the speech pathology and audiology professionals who serve their education and health needs. The program areas are: 1. the Bureau of Education for the Handicapped, U. S. Office of Education; 2. the Head Start program, Office of Child Development; 3. the National Institute of Neurological Diseases and Stroke; and 4. the Rehabilitation Services Administration, Office of Human Development. Insofar as the Subcommittee's principal interest on this day of its public hearings is the area of special education, we shall devote the better part of our presentation here to the first of these four program areas.

BUREAU OF EDUCATION FOR THE HANDICAPPED (BEH)

With respect to programs authorized by Title VI, Part C of the Elementary and Secondary Education Act (ESEA), ASHA makes these recommendations:

1. That Early Childhood Projects be funded at the $25 million level -- representing a $3 million increase over the amount called for by the Administration. The preschool and early childhood projects funded by this Title have offered substantial evidence of the value of early educational intervention. Now that they have, we must begin to spread their example throughout the country.

2. That the Regional Resource Centers program be funded at the $9.75 million level recommended by the Administration -- representing a $2.5 million increase over the fiscal 1975 appropriation. The objective of this program is the development of educational strategies for handicapped children. The modest $2.5 million increase would significantly contribute to the

objective's achievement by assisting state and local governments in identifying and appropriately placing handicapped children, and by supporting an initiative begun recently to establish 10 resource projects devoted to the needs of the severely handicapped.

3. That the Deaf/Blind Centers program be funded at a $20 million level -- representing an $8 million increase over the fiscal 1975 appropriation and a $4 million increase over the Administration's $16 million fiscal 1976 recommendation. This program maintains centers throughout the country for children who are both deaf and blind. The recommended increase would permit the provision of needed educational services for nearly all members of this relatively limited population. With the increase, for example, full-time educational services could be provided for 3,300 children -- 700 more than are now benefiting from such services; the number of children currently receiving short-term and part-time services could be increased from 700 to 900; and the number of parents of deaf/blind children now receiving counseling could be increased from 3,300 to 4,000. This would represent a significant step toward assuring the placement of all deaf-blind children in appropriate education programs.

With respect to programs authorized by Title VI, Part D of ESEA, ASHA makes these recommendations:

1. That the Personnel Training program be funded at a $50 million level -- representing a $12.3 million increase over the fiscal 1975 appropriation and a $10.25 million increase over the Administration's $39.75 million fiscal 1976 recommendation. A comprehensive review of personnel needs in the overall education community released recently by DHEW states flatly that although the nation's supply of teachers is expected to outstrip the demand, there is still a shortage of qualified special education personnel and regular classroom teachers trained to educate handicapped children.[5] According to that report, only about "40 percent of the identified handicapped children today receive special education of some type."[6] ASHA is acutely aware of the needs education programs experience throughout the country for professionals qualified

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[5] The Education Professions 1971-72, Part III. DHEW Publication No. (OE) 73-12000 Washington, D. C. (1973).

[6] Ibid., p. 1.

to provide educational and habilitative services to speech, language, and hearing handicapped children. Today, only about 100 audiologists are employed by public school systems to serve the nation's deaf and hard of hearing children. This number is dismally below the number of professionals needed to render such education-related services as hearing examinations, hearing aid evaluations, and auditory training and habilitation. Ten times as many audiologists working in the schools would only begin to scratch the surface of the personnel needs in this important area. Approximately 33,000 speech pathologists are required to help meet the educational needs of the nation's speech and language handicapped children. Some 16,500 are presently providing speech pathology services to school populations, only 6800 of whom meet the widely recognized ASHA standards of clinical competence.

2. That the Recruitment and Information program be funded at the $1 million level called for by the Administration. DHEW's acknowledgement that education of the handicapped is one of the very few education-community areas wherein manpower needs are significantly unmet, together with the need for employing better qualified special education professionals, argues very strongly for the modest $500,000 increase over the amount heretofore provided for recruitment and information.

With respect to programs authorized by Title VI, Part E of ESEA, ASHA recommends:

That the Research and Demonstration programs be funded at the $13 million level -- representing a $2 million increase over the Administration's fiscal 1976 recommendation and a $3.1 million increase over the appropriation for fiscal 1975.

With respect to programs authorized by Title VI, Part F of ESEA, ASHA recommends:

That the Media Services and Captioned Films programs be funded at a $16 million level -- representing a $3 million increase over the fiscal 1975 appropriation. The bulk of the increase, we believe, would be put to use helping BEH meet its expanded statutory responsibilities for increasing and improving educational services for the most severely handicapped children.

Regarding programs authorized by Title VI, Part G, ASHA recommends:

That the Specific Learning Disabilities Program be funded at a level of $6.25 million -- representing a $3 million increase over the appropriation for fiscal 1975 and a $2 million increase over the Administration's recommended fiscal 1976 funding level. The Bureau of Education for the Handicapped considers learning disabilities to be the fastest growing disabling condition in the public schools. The Administration's budget request would barely accommodate inflation-caused program increases.

With respect to programs authorized by Title VI, Part B, ASHA offers the following comment:

As Members of this Subcommittee know, Congress, several months ago, appropriated $100 million in the formula grant program to allow states to initiate, expand, and improve educational opportunities for handicapped children. This appropriation more than doubled the Federal funds available to states to carry out the new provisions of Public Law 93-380; a minimum of 100,000 more children will be served as a result of this commendable congressional initiative. We are faced with a major problem this year however, since last year's authority to increase appropriations to as much as $660 million was a one-year emergency authorization; the authorization for fiscal year 1976 must now revert back to the $100 million authorized by Public Law 93-380. We recognize that authorizing legislation is not within the jurisdiction of this Subcommittee; still, we look to you for support in our efforts to seek additional authorizations for the state grant program for fiscal 1976. In the meantime, we hope you will appropriate the full $100 million, until such time as increased authorization can be provided. ASHA wishes to thank this Subcommittee for not concurring with the Administration's proposed rescissions for fiscal year 1975 operation of the state grant program. We know you will continue to protect the interests of handicapped children during these difficult financial times.

HEAD START

Public Law 92-424 requires the Head Start program to assure that handicapped children comprise at least 10 percent of all children enrolled in Head Start projects throughout the country. The Administration calls for a $20 million increase over the fiscal year 1975 $414 million appropriation, with the total amount of the increase being put toward meeting the 10-percent mandate. Heretofore, no monies have been earmarked by the Legislature for the commendable purpose it outlined two terms ago; because funds have not been so designated, Head Start programs across the country have been hard pressed, indeed, in their efforts to initiate meaningful services for handicapped children without concurrently having to cut back on basic services for non-handicapped Head Start enrollees.

According to the Office of Child Development, the $20 million would be put to work in the following ways: (1) Improving diagnostic services for children; (2) recruiting additional qualified staff; (3) training staff in techniques of working with children with specific handicapping conditions; (4) purchasing services from other agencies when such services are not available without charge; (5) purchasing special equipment and materials; and (6) modifying physical facilities to meet the specific requirements of the children served. These are commendable goals; our concern is whether they can satisfactorily be met with but $20 million.

The Office of Child Development estimates that the average cost of necessary special services for Head Start's handicapped children (at least those in full-year programs) is $1,150 per child; this, in addition to the cost of the usual and customary Head Start services available to all Head Start children. Applying that average to each of the 38,000 handicapped children now enrolled in Head Start programs, we find ourselves facing a $43.7 million figure.

We think it unfair of the Administration to expect to meet Congress' 10-percent mandate by spending only one twentieth of total Head Start monies on doing so. ASHA most certainly does not want to encourage or contribute to fiscal irresponsibility; we know things are tough all over, and that frugality must everywhere be encouraged, within and outside government. A $40 million set aside may be too much this year, but a $20 million earmark, we feel, is too little. ASHA therefore requests that the $20 million amount called for by the Administration to help Head Start meet the 10-percent congressional mandate be increased by $7.5 million, to $27.5 million for fiscal 1976.

NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE (NINCDS)

NINCDS is charged with the mission of increasing our knowledge of the brain, the nervous system, and the mechanisms of human communication. Its work benefits the more than 40,000,000 Americans burdened by disabling neurological disorders and difficulties of hearing, speech and language. More specifically, the two-decade-old Institute is concerned with research on epilepsy, multiple sclerosis, muscular distrophy, injury to the brain and spinal cord, hereditary diseases of the nervous system, developmental neurological disorders, tumors of the brain and spinal cord, stroke, Parkinson's disease, otosclerosis, and many other disorders affecting hearing and speech.

As in years recently past, the Administration's fiscal 1976 budget fails to propose adequate funding for the NINCDS's important mission. The request calls for about $7,000,000 less than was appropriated two years ago, and an almost unbelievable $28 million less than the amount Congress appropriated for fiscal 1975, a rollback of momentous proportions that in these inflationary years constitutes a slap in the faces of those afflicted by neurological problems and those whose research is essential to therapeutic progress in these areas.

The number of Americans killed or disabled by stroke rises sharply each year. For a time, so did the number of NINCDS-trained professionals in the cerebro-vascular disease and stroke area: NINCDS-supported training programs were responsible for increasing the number of neurologists in the U.S. from 250 in 1952 to about 5,000 today, and for substantial increases in the neurological subspecialties of neuroradiology, neurosurgery, audiology, otolaryngology, and speech pathology. But today, for example, there are about 60 vacancies in departments of otolaryngology, and clinical departments of medical neurology say they will need approximately 50 new teachers in the next five years. The Administration's budget with its neglect of training support, if adopted, would not fill these vacancies; rather it would create more.

Institute officials have repeatedly pointed to the need for significant NINCDS-supported research in the area of speech and language disorders. But the Institute, they say, does not have the financial capacity to help train the scientists who would perform this important work. Similarly, the Institute's perinatal project, which could provide breakthrough leads on communications disorders, has seen its efforts stalled. Researchers developing prototype transmodal communication devices for those with seriously impaired hearing cannot presently look with assurance to the Administration's budget for training and research assistance.

The Administration's budget calls for a cut of perhaps $3 million in NINCDS's speech and hearing efforts -- from $14.7 million two years ago to the vicinity of $10 million in fiscal 1976. ASHA believes the amount should be closer to $20 million than half that figure -- we are hopeful that the Institute's recent name change (from National Institute of Neurological Diseases and Stroke to National Institute of Neurological and Communicative Disorders and Stroke) is made to mean something more than a paper change. ASHA believes that $148 million is appreciably more responsive to the research and training that ought to be addressed by NINCDS, and recommends that at least that sum be appointed. Such an appropriation would represent a $6 million increase over the amount provided by the Congress for fiscal 1975 operations; the increase, we feel, is more than warranted.

REHABILITATION SERVICES ADMINISTRATION (RSA)

The Rehabilitation Services Administration is principally charged by the Rehabilitation Act of 1973 (PL 93-112) with the responsibility of developing and implementing comprehensive and continuing state plans to insure current and future provision of vocational rehabilitation services to handicapped persons. RSA also provides such services itself -- serving first those most severely handicapped -- so that the handicapped can prepare for and engage in gainful employment. Among others, RSA pursues these activities:

-- evaluation of the rehabilitation potential of handicapped persons;

-- provision of assistance in the construction and improvement of rehabilitation facilities;

-- development of new and innovative methods of rehabilitation, including services delivery, research, and special and demonstration projects;

-- initiation and expansion of services to heretofore underserved groups of handicapped persons; and

-- increasing the number of rehabilitation personnel and increasing their skills through training.

Administration estimates, offered during congressional hearings on the Rehabilitation Act, showed that there are between 7 million and 12 million individuals in the United States who require vocational rehabilitation services. We believe that population range is a markedly conservative one; but even if the low 7 million figure is used, RSA program services (again according to Administration estimates) reach only about 15 percent of those who need them. Can this low percentage figure be attributable to RSA program inefficiency? Not generally; this and former Administrations have called RSA's vocational rehabilitation program one of the most effective and humanitarian of all federally supported health efforts. Only increased funding will help RSA reach more of the handicapped, yet the Administration proposes not even to grant an annual inflation increase to RSA. The $680 million provided by Congress for the current fiscal year is the same figure advanced by the Administration as adequate for fiscal 1976 RSA operations. The 15 percent figure will drop if the Administration's budget is endorsed, for the number of newly handicapped Americans grows at about the same rate as our population.

In past years, federally-supported vocational rehabilitation efforts have been responsible for returning 300,000 persons to productive activity annually. These rehabilitants earned an estimated $770 million more a year than they did during the year before they entered the rehabilitation process. Projected as lifetime earnings, these figures exceed $9 billion in increased earnings -- just for those rehabilitated in one year. Taxpayers obviously share substantially in these earnings through increased taxes paid by the rehabilitants and reductions in tax-supported maintenance which would be required had these individuals not received rehabilitation services.

In the research area, the Administration's proposal advocates the status quo in funding support; this, in the face of clear congressional intent that the focus of RSA's research support should be expanded into such areas as spinal-cord injury and end-stage renal disease, and that its commitment to other rehabilitation-related research should be otherwise increased. The Administration suggests $20 million for research and evaluation efforts. ASHA believes at least $25 million is needed to support these important endeavors.

RSA's basic state grants program is pegged at the $680 million level in the Administration proposal. Yet the states have shown that they have raised sufficient resources on their own to entitle them to the full $720 million authorized for fiscal 1976, and the Congress has made clear that the full authorization should and would be appropriated if the states evidenced the ability to hold up their end of the federal-state funding partnership designed by the 1973 authorization legislation. The full $720 million should be appropriated.

With respect to the uses to which basic state grants are put by state rehabilitation agencies, ASHA hopes that the Appropriations Committee will utilize the strongest possible Report language short of earmarking to encourage state agencies to begin appropriately addressing the rehabilitation needs of communicatively handicapped adults.

A comparison of data compiled by RSA[7] with data reported in Human Communication and Its Disorders: An Overview[8] clearly points up the fact that the number of communicatively handicapped adults rehabilitated by state vocational rehabilitation programs is miniscule. It is estimated that state vocational rehabilitation agencies have rehabilitated only 0.25 percent of all hearing impaired adults between the ages of 17 and 65 during recent years. At such a rate, it would take state agencies 426 years to rehabilitate all severely hearing impaired adults under age 65, assuming that the absolute number of hearing handicapped individuals remains stable. The problem is exacerbated in relation to the category of speech and language impairment. Only about 0.05 percent of those adults having speech and language impairments (excluding from the total population of speech handicapped adults those over age 65 and those with problems associated with mental retardation, hearing impairment and other congenital conditions) were rehabilitated by state vocational rehabilitation agencies in each of the past few years. At this rate, it would take the state agencies 1,984 years to rehabilitate all speech and language impaired adults -- again, assuming that the number of speech and language handicapped adults in the United States remained stable.

The conclusion that state agencies are apparently not meeting the rehabilitation needs of severely disabled, communicatively handicapped adults is clearly demonstrated in the category of stroke and aphasia. The National Institute of Neurological and Communicative Disorders and Stroke estimates that 500,000 American adults survive strokes each year, with 60,000 having aphasic conditions. Approximately 50 percent of stroke victims are below age 60. In addition, NINCDS reports that prevalence of stroke is less than cancer and heart disease but stroke exceeds the latter two conditions in long-term illness and dependency. Yet, it is reported that all state vocational rehabilitation agencies rehabilitated between 140 and 175 adults with stroke-caused aphasia in each of the past five years. In other words, state agencies are rehabilitating only about 0.50 percent of those adults under age 60 who annually suffer severely disabling strokes resulting in aphasia.

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[7] Characteristics of Clients Rehabilitated in Fiscal Years 1968-1972: Federal-State Vocational Rehabilitation Program, Statistical Analysis and Systems Branch, Division of Monitoring and Program Analysis, Rehabilitation Services Administration, Washington, D. C. (1974).

[8] Op. Cit.

This apparent failure of the state agencies to provide for the needs of hearing, speech and language impaired adults could be attributed to a lack of funds causing the same low degree of services provided in other categories of disabling conditions. We are aware of the funding problems experienced by the state agencies; but we are also acutely aware of the fact that state-agency cost cutting is not equitably applied. Indeed, as regards certain disabling conditions, state agencies rehabilitate a far larger percentage of those needing rehabilitation services than for the conditions of "Hearing Impairments" and "Speech Impairments." We sincerely hope that the Committee will help end this inequity.

Yet another perplexing aspect of the Administration's RSA budget, so far as ASHA is concerned, is its assertion that rehabilitation professionals will increase and multiply without federal assistance. Little short of supernatural intervention could bring this circumstance to pass at the Administration's proposed rate of support for training. ASHA urges that the Administration's paltry $22.2 million level of training support be raised to a level of $32 million, the full amount of the training authorization for fiscal 1976.

Section 201(b) of the Rehabilitation Act of 1973 calls for "a balanced program of assistance to meet the medical, vocational, and other personnel training needs of both public and private rehabilitation programs and institutions," and goes on to include "speech pathology and audiology" among the 15 or so rehabilitation specialty areas into which training funds are to be directed. Our concern here is not so much that the manpower needs of the speech and hearing profession receive less attention and support than other of the specialty areas covered by section 201. Rather our concern relates to the radical drop speech pathology, audiology, and all other training-specialty areas have experienced over the last several years. More specifically, our concern here is not that RSA is not living up to the statute's mandate to provide "a balanced program of assistance;" rather it is with the fact that the level of "balanced...assistance" has fallen off so markedly as to render RSA-supported training virtually meaningless.

Mr. Chairman, ASHA would like to see the will of Congress prevail in the instance of RSA training. We believe the best way for assuring that it does is for the Congress to appropriate the full authorized amount. An appropriation of $32 million for RSA training is both appropriate and necessary.

As regards the total RSA appropriation: The Administration has recommended $735.6 million. ASHA believes that $790.4 million should be considered the minimum acceptable appropriations figure if RSA is to meet the minimum statutory requirements of Public Law 93-112.

HEAD START PROGRAM

Mr. **Dowling**. The entire statement speaks to four HEW programs, two of which are related to education, and I would like to summarize those two areas very briefly for you.

With respect to one of them, the Head Start program, the administration has asked that $20 million be earmarked out of a $434 million recommended appropriation for the purpose of meeting the congressional instruction.

Senator **Eagleton**. Could you bear with us for just a minute, Mr. Dowling?

Just for the reporter's benefit, are you going to start with page 5 of your statement, or are you going to——

Mr. **Dowling**. I just have some very short remarks.

For the reporter's benefit I will give her my copy.

Senator **Eagleton**. What are the two you are going to talk about? Head Start?

HEAD START SERVICE TO HANDICAPPED CHILDREN

Mr. **Dowling**. Head Start and the Bureau of Education for the Handicapped, Office of Education.

Senator **Eagleton**. Start off with Head Start.

Mr. **Dowling**. The administration has asked that $20 million earmark out of a $434 million recommended appropriation for the purpose of meeting the congressional instruction regarding the Head Start service delivered to handicapped children.

Congress instructed that 10 percent of all children served by Head Start should be handicapped children, but the 10 percent mandate cannot be met with only 5 percent of the total appropriation. So, we hope that the $30 million earmarked can at least in these difficult times be increased to about $27.5 million.

Moving now, if I may, to the Bureau of Education for the Handicapped programs administered by and included in the Office of Education budget—we hope first, and most important, that title VI, part B of the ESEA, the grants to the State programs can be funded at the full authorization level. With respect to title VI, part C, we ask that early traveling projects receive $25 million, which represents a $3 million increase over what the administration asks; and that the deaf-blind centers receive $20 million, representing $4 million more than asked by the administration.

Regarding title VI, part D, personnel training, we ask that a $50 million appropriation, $10¾ million more than the administration requests.

Senator **Eagleton**. What was that one?

Mr. **Dowling**. Title VI, part D, personnel training.

Senator **Eagleton**. And you are recommending there, sir, how much?

Mr. **Dowling**. A $50 million appropriation for personnel training, which is $10¾ million over what the administration asks. Under part G of title VI, specific learning disabilities, we ask a $6¼ million appropriation, representing $2 million over what the administration asks.

Finally, under part F of title VI, research and demonstration, we request that $2 million be added to the administration's recommendation, for a total of $13 million.

We have a special interest in this area, and that is our hope; that the Bureau can, through its research and demonstration funds, put some of that money to use to study the prospects of instituting at the Federal or the State level, a system of hearing aid procurement, delivering maintenance and repair that assures economy and quality. Today there is not simply any viable system if you have handicapped kids. Their parents, and even the educational system, in some instances the schools for the deaf, which cannot rely on economic purchases, cannot rely on repair once the aids are purchased, and cannot rely on appropriate services to go along with aids.

So, we have a lot of money being poured down the drain, personal and public moneys for devices which promise a lot but which do not deliver really any services at all to hearing and handicapped and deaf children.

That is it, Mr. Chairman.

Thank you very much.

Senator EAGLETON. Thank you very much, Mr. Dowling, for your very succinct, but compelling, presentation. The committee will certainly consider your views. We appreciate your being with us this morning.

SUBCOMMITTEE RECESS

The subcommittee will stand in recess until 2 o'clock today, when we will continue hearing testimony from various public witnesses.

[Whereupon, at 11:10 a.m., the subcommittee was recessed, to reconvene at 2 p.m., the same day.]

[AFTERNOON SESSION, 2:05 O'CLOCK, WEDNESDAY, APRIL 9, 1975]

EDUCATION DIVISION

NONDEPARTMENTAL WITNESSES

POSTSECONDARY EDUCATION

AMERICAN COUNCIL ON EDUCATION

STATEMENT OF CHARLES S. SAUNDERS, JR., DIRECTOR OF GOVERNMENTAL RELATIONS, AMERICAN COUNCIL ON EDUCATION

Senator MONTOYA [presiding]. The subcommittee will be in order.

This afternoon we are continuing to hear testimony from public witnesses in the field of education. We have several witnesses who wish to testify and we want to hear everyone, so I would ask that you summarize your statements. We will see that the statements are placed in the record in full.

The first witness here is Charles Saunders, who represents the American Council on Education.

Mr. Saunders, you may proceed, sir, and welcome before this committee.

Mr. SAUNDERS. Thank you, Senator.

I will make it brief. I will give you a condensation of the condensation which appears in the first 5 pages of my testimony. I did want at the outset to say that I am speaking for eight higher education associations and we would like to express our appreciation to the subcommittee for your leadership in determining to report out a separate education appropriations bill.

We feel this is an important step which will make it possible to plan more soundly in advance and should enable Congress to focus more clearly on the needs and priorities of the Nation's educational system.

We also commend the subcommittee for its recent action approving a supplemental appropriation of $120 million in fiscal 1975 college work-study funds in the Emergency Employment Appropriations Act passed by the House last month and which I understand is now before the full committee of the Senate. This step is certainly a clear recognition of the importance of student assistance programs and in any comprehensive effort to deal with the problems of the national economy.

Postsecondary education's potential as a tool of national economic policy is ignored in the administration's fiscal year 1976 budget proposals. Yet, equal educational opportunity is not only a desirable national goal, it is a practical economic policy when twice as many young Americans aged 18 to 24 are unemployed as the rest of the work force, and when the cost of public employment programs per employed individual averages $8,800 a year as compared with less than $1,000 a year to help maintain a needy student in college.

As economic policy, the goal of equal educational opportunity applies with equal practicality to over half of all postsecondary students who are part time, and who are generally older than the typical 18-to-24-year group. Three-quarters of all part-time students are already employed in the work force, and centrally concerned with improving their own employment prospects. Thus, Federal student aid programs not only decrease youth unemployment and improve the skills of youth before they enter the work force, they also deal directly with the problem of a structural unemployment addressing the mismatch between the skills of the work force and the available jobs.

In spite of these sound economic arguments, the administration is requesting $1.3 billion for the major discretionary student assistance programs; a total which not only fails to take inflation into account but represents an actual dollar decrease of $196 million from fiscal 1975, a $316 million reduction counting the work-study supplemental.

The real reduction the administration is proposing is far greater, however. It would, contrary to law, eliminate the supplemental educational opportunity grant program, and end capital contributions to the national direct student loan program. It would also reduce college work study funding $170 million below the level which the House approved last month. Instead of using student aid to reduce unemployment and to upgrade the skills of the work force, the proposed budget would restrict postsecondary education to a smaller number of students. We estimate that an additional $1 billion is needed simply to meet existing program needs for student assistance.

Now also important to the national economy are some $75 million in institutional aid programs which the administration proposes to eliminate. These include essential services to veterans, community service projects, aid to land-grant colleges, college library resources and training, and undergraduate equipment programs which provide direct aid to postsecondary institutions. And we urge the committee to continue and increase its support for these programs, which serve national needs that have repeatedly been indentified by the Congress.

Even taken together, however, these programs do not begin to meet the pressing needs of postsecondary institutions throughout the Nation at a time when educational costs are rising more sharply than the general price index, States are considering cuts in their higher education budgets, and private sources of giving are devastated by the economic slump. These factors are forcing institutions everywhere to cut back services and staff, increase tuitions, and defer plant maintenance.

Therefore, we feel it is essential to begin funding of subpart 5 of title IV of the Higher Education Act, the cost-of-education provision authorized by Congress in 1972. In this authorization, the Congress has recognized the burden imposed on institutions by the national policy of expanding postsecondary opportunities, and has established a Federal responsibility to help maintain the quality and vitality of postsecondary institutions for the benefit of all students. To begin to assume this national responsibility, we earnestly request that $200 million be appropriated for cost-of-education payments. Here, too, we feel there is a compelling economic argument to sustain postsecondary institutions, not only as a vital factor in achieving a balanced labor market in the training provided for over 10 million students, but as a major sector of the national economy; a $40 billion enterprise which contributes importantly to the economic health of thousands of communities.

EFFECTS OF INFLATION ON HIGHER EDUCATION

It is also important to understand that higher education is the victim, not the cause, of the current inflation. It is not part of the driving forces pushing prices higher and higher. In fact, the Federal Government has been one of the contributing factors in two areas where cost increases have been particularly significant to institutions: rising needs for student aid and compliance with federally mandated social programs. Because the national commitment to expanding educational opportunities has not been accompanied by adequate Federal support, institutions have had to provide more of their own funds to make up the difference, thereby forcing higher charges for students who do not receive aid. The socially mandated programs—from pension benefits to occupational health and safety standards—while intended to achieve valued social goals which we fully support, do not provide funds for implementation, and the aggregate direct and indirect costs can amount to millions of dollars for a single institution.

In summary, it is our judgment that the fiscal 1976 budget should be increased by over $1 billion to meet existing program needs for student assistance, by another $150 million to support important national programs of categorical assistance to institutions, and by $200 million to begin funding of cost-of-education payments to assist institutions in meeting the added costs of their participation in the national effort to broaden access to postsecondary education. We have noted that this effort has important implications in dealing with the current state of the economy, as well as providing in the long run a basic source of national scientific and technological growth and cultural strength. We also urge, Senator, that the program of grants for academic facilities, which have not been funded for the last 3 or 4 years, be funded at the full authorization of $380 million this year to help institutions begin needed renovations required for energy conservation and compliance with occupational health and safety standards, while at the same time contributing to the recovery of the economy.

We have a separate report which has just been turned in by a task force the higher education community has established to investigate the needs of institutions around the country for energy conservation, the cost of doing what is necessary to make buildings more energy efficient, and this is a preliminary report I have just got in last night, which I would like to submit for the record with this statement. It shows that institutions of higher education can reduce their energy consumption by at least 25 percent nationally and up to as high as 40 percent with a properly phased program of renovation and reconstruction of existing facilities.

Senator MONTOYA. Does it show what the national cost would be?

Mr. SAUNDERS. We figure that this could be accomplished over a 5-year period at a level of $380 million a year, which is the full authorization for the academic facilities authority.

Senator MONTOYA. And over what period would that cost be amortized by savings?

Mr. SAUNDERS. This, incidentially, that is a matching program, so the institutions would be putting up half the cost and the Federal Government would be putting up half the cost.

Senator MONTOYA. What kind of savings would you have and over what period would those savings amortize the cost?

Have you figured that one out?

Mr. SAUNDERS. The paper goes into detail on what those energy savings would amount to, and we will, as I say, this is a preliminary report and we will have some supplemental information.

I think that really completes the substance of my testimony, except I simply would like to point out that while we do feel that in many respects the administration recommendations seriously neglect the needs of higher education and fail to recognize its potentially important contributions to the national economic recovery. We do strongly endorse the administration recommendations to strengthen programs of research data collection and innovation in higher education through funding increases requested for the National Institute of Education, the National Center for Educational Statistics, the Special Projects Act, and the Fund for the Improvement of Postsecondary Education.

Senator MONTOYA. Thank you for a very fine statement, but of course you realize that this committee has been very liberal in funding recommendations and we have always been threatened with a veto by the President, and we have encountered many vetoes. And where the real increases have occurred is in the field of education.

Mr. SAUNDERS. That is why we are trying to provide specific information for you on the energy situation, for example.

Senator MONTOYA. Thank you very much.

Mr. SAUNDERS. Thank you, Senator.

PREPARED STATEMENT

Senator MONTOYA. The information on energy conservation, together with your prepared statement will be inserted at this point in the record.

[The information follows:]

ENERGY CONSERVATION

The Capital Investment Needs for Building Rehabilitation for Non-Profit Educational Institutions

I. INTRODUCTION

This paper is one of several reports to be issued by a non-profit education Energy Task Force. This Task Force, created by the National Association of College and University Business Officers (NACUBO) and the Association of Physical Plant Administrators (APPA) and sanctioned by the American Council on Education (ACE), is responsible for assessing the impact of energy supply and cost trends upon non-profit educational institutions. The Task Force is exploring, with both the Federal Administration and Congressional leadership, ways by which the educational sector can be sensibly integrated into emerging national energy policy.

The purpose of this report is to focus attention on one of the most critical energy problems presently facing educational institutions: the need to render educational facilities more energy efficient through a program of capital investments focused upon the rehabilitation of existing buildings. The report identifies the advantages offered by federal support of a building rehabilitation program which reduces both energy consumption and costs in the educational sector. The report also outlines a phased investment plan for educational institutions involving various levels of technical sophistication and expenditure.

Although the task force has only been operational since early 1975, it is already clear that the highest priority must be assigned to the need for building rehabilitation funds to assist educational institutions in their attempts to reduce energy consumption and costs. Such priority is not only essential for the economic relief of educational institutions, but is also important in the national effort to achieve a goal of energy independence through energy conservation.

II. SUMMARY AND CONCLUSIONS

1. Non-profit educational institutions spend more than $1.2 billion annually on energy, or an equivalent of 100 million barrels of fuel oil per year. In the national pursuit of the goal of energy independence, the consumption reduction potential of such a significant category of user cannot be overlooked.
2. Meteoric increases in the cost of energy, building systems designed and constructed to consume inexpensive energy, complex environmental regulations and the absence of a national energy policy have weakened the already precariously balanced financial positions of many institutions.
3. Non-profit educational institutions continue to be excluded from all federally proposed economic relief plans such as credits for energy investments and capital support for conversion to more efficient energy sources. Such an oversight exacerbates the dilemma of increased energy costs.
4. The inflationary impact of the rising costs of education has staggered many state and local governments, taxpayers, and tuition-paying parents, thus threatening to price higher education beyond the reach of many students. A reduction in operating costs for energy within educational budgets will have a positive deflationary effect on many Americans while providing the additional advantage of further stimulating energy conservation activities toward the goal of greater national energy self-sufficiency.

5. Energy consumed within educational institutions is essentially non-discretionary, supporting such high priority functions as food processing, space heating and medical service at the teaching, research and clinical levels.

6. Field experience within non-profit institutions indicates that a properly phased program of investments of approximately $2.00 per gross sq.ft. can reduce energy consumption by at least 25%, with a potential reduction as high as 40% in some of the more sophisticated research institutions.

7. Due to the clear pattern of mutual cooperation and information sharing which has existed among educational institutions, funds spent for energy conservation would be uniquely amplified in a manner unavailable in the more competitive sectors of the energy consuming economy.

8. A 5-year program allocating investment capital of $.40 per sq.ft. for non-profit educational institutions would require an appropriation of $380 million per year from the federal government in matching facilities grants. Such an appropriation would accomplish this 25% consumption reduction.

9. A federally funded building rehabilitation program for educational institutions, in addition to cutting energy consumption and energy-related costs, would also provide approximately 53,000 construction jobs annually based upon AFL-CIO estimated 70,000 construction jobs per $1 billion of construction expenditures.

III. Program for Building Rehabilitation Investments

A. Financial Criteria and Capital Needs

It is axiomatic that energy conservation investments must meet the return on investment criteria fundamental to any capital expenditure decision. Building rehabilitation expenditures are no exception to this principle. Fortunately, the rates of return on rehabilitation expenditures are extremely attractive as measured in terms of their cost savings and cost avoidance potential. Investment payouts within three to five years are the rule rather than the exception for intelligently planned conservation rehabilitation programs.

There has been, however, a serious shortage of capital funds available to educational institutions for such rehabilitation investments. Elimination of this shortage of capital funds requires that a stronger case be made for the value of such investments than has been made in the past. The preliminary surveys of the Energy Task Force have revealed impressive performances across many institutions; performances which deserve recognition and can provide impetus for further conservation activity. Perhaps even more importantly, these positive energy conservation performances substantiate the growing need for capital in order to accelerate the trend toward energy conservation investments.

B. Phasing of Rehabilitation Investments

Review of institutional energy conservation case histories discloses a three-phase pattern of building investment programs which affords conservation opportunities at varying levels of expenditure. The three phases may be classified as:

1. Quick Fix
2. Refit
3. Major Energy Systems Conversion

PHASE 1

Quick Fix - Consumption Reduction 10% (min.)

Definition and Cost

This initial phase involves the simplest, most easily attainable level of savings at very low cost. Typical costs for this phase would range from 0-$.50 per gross sq.ft. depending upon the nature and complexity of a particular institution and the number of buildings on the campus. Emphasis in this first phase is on non-technical steps which reduce obvious energy waste. Particularly important in this phase, as with all others, is the need for the broadbased involvement of all members of the institution and not just the technical and service organizations. Minimal lead time is required to implement this phase.

EXAMPLES:

1. Specific temperature ranges and thermostat settings: 65-68° Winter
   75-80° Summer
2. Reduction in illumination levels and lamp wattage.
3. Nighttime and weekend building shutdowns.
4. Scheduling of vacations during energy intensive periods.
5. Consolidation of activities into fewer buildings, particularly during evenings and weekends.
6. Restrictive policy on appliance usage and air conditioning installation.
7. Reduction of hot water temperature.
8. Work schedule adjustments to maximize daylight working hours.
9. Reduction of building heat leakage using blinds and drapes.
10. Total involvement of the entire community:
    a) Faculty, staff, student energy committees.
    b) Appointment of building energy monitors.
    c) Briefing sessions with building occupants regarding building energy systems.

PHASE 2

Refit - Consumption Reduction 20-25% (including Quick Fix Phase)

Definition and Cost:

This second phase goes beyond the simple steps taken in the Quick Fix stage. The expected consumption reduction of 20-25% requires a capital investment of approximately $.25-.70 per gross sq.ft. Greater attention in this phase must be devoted to the development of technical studies in an effort to diagnose the differing types and levels of energy consumption within an institution prior to committing capital to a specific investment option. Lead times for these types of actions will range from two to nine months at most institutions.

The incremental consumption reductions achieved in this phase range between 10% and 15%. Consequently, a well integrated "Quick Fix" and "Refit" program can reduce an institution's consumption by as much as 25%, at a cumulative cost of $1.20 per gross sq.ft. of building area. Reduction potentials of this magnitude are possible at a large majority of institutions across the nation.

EXAMPLES:

1. Energy Technical Studies:
    a) Energy demography - classification of buildings by function, utility consumption and sq.ft. costs.
    b) Detailed review of existing mechanical systems and controls in order to ascertain the proper areas for capital investments.
    c) Infra-red aerial photographic survey to identify heat leaks.
    d) Review of electrical rate structures, power factors, load profiles and demand peaks.
2. Maintenance Review of Existing Energy Systems.
    a) Steam trap inspections.
    b) Check function of valves and air filtration systems.
    c) Stack emission monitors.
3. Modification of Lighting Systems:
    a) Conversion from incandescent to fluorescent fixtures.
    b) Use of time clocks on lighting systems.
    c) Revise light switch circuitry to reduce overlighting.
4. Reduction of Heating System Losses:
    a) Increase steam line insulation.
    b) Roof and wall insulation.
    c) Weatherstripping, storm windows, caulking, sun screens, blinds.
5. Refinement of HVAC Control Systems:
    a) Rezoning of heating systems.
    b) Installation of timers on exhaust and air handling systems.
    c) Installation of variable speed drives on motors.
    d) Installation of motorized steam valves.
    e) Reduction of fresh air makeup.

PHASE 3

Major Energy Systems Conversion - Consumption Reduction 30-40% (Including Phase 1 & 2)

Definition and Costs:

The third and most sophisticated level of conservation investment requires capital expenditure for engineering and other technical studies and substantial conversion of building systems in order to achieve this dramatic consumption reduction. An additional 10-15% reduction can be achieved after the first and second phases, at an incremental cost of approximately $.80 per gross sq.ft.

The cumulative impact of the three phases results in an institutional consumption reduction ranging from 30% to 40% at a total cost which would not exceed $2.00 per gross sq.ft. It is important to recognize that not all institutions or all buildings within a given institution can benefit from this highly technical third phase. However, significant savings of energy as a result of Phase 3 investments would accrue to institutions engaged in basic scientific research and in the delivery of health care at the research and clinical levels. Such institutions consume a major portion of the total energy used within the educational sector. As such, these institutions represent desirable focal points for investment from a national energy conservation standpoint irrespective of the additional incentive of lowered operating costs within the institution.

EXAMPLES:

1. Central computerized controls and building monitoring systems.
2. Upgrading of Primary Boiler and Chiller Plants:
    - a) Conversion to alternate fuel sources.
    - b) Automation of power plants.
    - c) Implementation of waste heat recovery systems.
    - d) Utilization of solid waste recovery fuel systems.
3. Building Conversions:
    - a) Solar energy systems.
    - b) Independently zoned environment controls for laboratories.
    - c) Rewiring of major electrical systems to minimize demand changes and avoid establishing new peaks.

CONCLUSION

The unique communication possibilities which exist in the educational sector provide for the sharing of a wide range of technical expertise between institutions already in the process of implementing the various phases of the building rehabilitation program and those on the verge of a conservation plan. By sharing experience and knowledge, an acceleration of the educational sector's conservation progress will occur. The federal government can be instrumental in insuring that such productive momentum is translated into positive energy conservation programs by providing vitally needed capital funds for building rehabilitation. Such funds serve the dual purpose of promoting the national goal of energy independence while also insuring the high quality of education so important in the past and so crucial for the future.

STATEMENT OF CHARLES B. SAUNDERS

On behalf of the American Council on Education and the member associations listed above, I appreciate this opportunity to express our views on the Administration's recommendations for postsecondary education contained in the Education Division budget for FY 1976.

At the outset we commend the Chairman and members of the Subcommittee for their leadership in determining to report out a separate Education Appropriations bill. This is an important step toward resolving one of the most serious criticisms of Federal aid to education: the inefficient and ineffective use of funds which inevitably occurs when final appropriations decisions are not made until far into the fiscal year. An early appropriations bill will make it possible to plan more soundly in advance; a separate bill will enable the Congress to focus more clearly on the needs and priorities of the nation's educational system.

We also commend the Subcommittee for its recent action approving a supplemental appropriation of $120 million in FY 1975 College Work Study funds in the Emergency Employment Appropriations Act passed by the House last month. This was a clear recognition of the importance of student assistance programs in any comprehensive effort to deal with the problems of the national economy.

Postsecondary education's potential as a tool of national economic policy is ignored in the Administration's FY 1976 budget proposals. Yet equal educational opportunity is not only a desirable national goal, it is a practical economic policy when twice as many young Americans aged 18-24 are unemployed as the rest of the work force, and when the Federal cost of public employment programs per employed individual averages $8,800 a year as compared with less than $1,000 a year to help maintain a needy student in college. We note with approval the AFL-CIO's recommendation for "expansion of Federal programs to provide assistance for young people to stay in school," among the emergency steps it recently proposed to deal with unemployment.

As economic policy, the goal of equal educational opportunity applies with equal practicality to over half of all postsecondary students who are part-time, and who are generally older than the "typical" 18-24 year group. Three-quarters of all part-time students are already employed in the work force, and centrally concerned with improving their own employment prospects. Thus Federal student aid programs not only decrease youth unemployment and improve the skills of youth before they enter the work force, they also deal directly with the problem of structural unemployment, addressing the mismatch between the skills of the work force and the available jobs.

In spite of these sound economic arguments, the Administration is requesting $1.353 billion for the major discretionary student assistance programs: a total which not only fails to take inflation into account but represents an actual dollar decrease of $196 million from FY 1975 (a $316 million reduction counting the College Work Study supplemental) and the first budget in several years which has failed to expand the base of need-related student aid funds. Student aid dollars are being stretched to cover a larger number of students and also are being reduced in value by inflation. For example, from 1969 to 1973 the average grant award declined 20 percent in value because of the failure to adjust grant awards for the increasing cost of going to college.

The real reduction the Administration is proposing is far greater, however. It would--contrary to law--eliminate the Supplemental Educational Opportunity Grant program, and end capital contributions to the National Direct Student Loan program. It would also reduce College Work Study funding $170 million below the level which the House approved last month. Instead of using student aid to reduce unemployment and to upgrade the skills of the work force, the proposed budget would restrict postsecondary education to a smaller number of students. We estimate that an additional $1.09 billion is needed simply to meet existing program needs for student assistance.

Also important to the national economy are some $75 million in institutional aid programs which the Administration proposes to eliminate. These include essential services to veterans, community service projects, aid to land-grant colleges, college library resources and training, and undergraduate equipment programs which provide direct aid to postsecondary institutions. We urge the Committee to continue and increase its support for these programs, which serve national needs that have repeatedly been identified by the Congress.

We want to emphasize, however, that to continue these programs at the current level would in effect impose a cutback in services due to significantly increased operating costs. The Administration recognizes the impact of these costs for the Department of Defense, where a budget increase is requested "reflecting the effects of inflation on major weapons systems." We suggest that the effects of inflation on our postsecondary education systems are just as real, and should be reflected in appropriate increases for institutional aid programs.

Our request for funding of these programs is based on the important services they provide in the national interest. Even taken together they do not begin to meet the pressing needs of postsecondary institutions throughout the nation at a time when educational costs are rising more sharply than the general price index, States are considering cuts in their higher education budgets, and private sources of giving are devastated by the economic slump. These factors are forcing institutions everywhere to cut back services and staff, increase tuitions, and defer plant maintenance.

Therefore, we feel it is essential to begin funding of Subpart 5 of Title IV of the Higher Education Act, the Cost-of-Education provision authorized by Congress in 1972. In this authorization, the Congress has recognized the burden imposed on institutions by the national policy of expanding postsecondary opportunities, and has established a Federal responsibility to help maintain the quality and vitality of postsecondary institutions for the benefit of all students. To begin to assume this national responsibility, we earnestly request that $200 million be appropriated for Cost-of-Education payments. Here, too, we feel there is a compelling economic argument to sustain postsecondary institutions, not only as a vital factor in achieving a balanced labor market in the training provided for over 10 million students, but as a major sector of the national economy: a $40 billion enterprise which contributes importantly to the economic health of thousands of communities.

It is also important to understand that higher education is the victim, not the cause, of the current inflation. It is not part of the driving forces pushing prices higher and higher. In fact, the Federal government has been one of the contributing factors in two areas where cost increases have been particularly significant to institutions: rising needs for student aid and compliance with Federally-mandated social programs. Because the national commitment to expanding educational opportunities has not been accompanied by adequate Federal support, institutions have had to provide more of their own funds to make up the difference, thereby forcing higher charges for students who do not receive aid. The socially-mandated programs--from pension benefits to occupational health and safety standards--while intended to achieve valued social goals which we fully support, do not provide funds for implementation, and the aggregate direct and indirect costs can amount to millions of dollars for a single institution.

In summary, it is our judgment that the FY 1976 budget should be increased by over $1 billion to meet existing program needs for student assistance, by another $150 million to support important national programs of categorical assistance, and by $200 million to begin funding of Cost-of-Education payments to assist institutions in meeting the added costs of their participation in the national effort to broaden access to postsecondary education. We have noted that this effort has important implications in dealing with the current state of the economy, as well as providing in the long run a basic source of national scientific and technological growth and cultural strength. We also urge that the program of grants for academic facilities be funded at the full authorization of $380 million to help institutions begin needed renovations required for energy conservation and compliance with occupational health and safety standards, while at the same time contributing to the recovery of the economy.

While the budget seriously neglects the needs of higher education and fails to recognize its potentially important contributions to the national economic recovery, we strongly endorse the Administration's recommendations for strengthened programs of research, data collection, and innovation in higher education through funding increases for the National Institute of Education, the National Center for Education Statistics, the Special Projects Act, and the Fund for the Improvement of Postsecondary Education.

Following are more detailed comments on each of the major Education Division programs affecting postsecondary education:

I. STUDENT ASSISTANCE

Basic Educational Opportunity Grants

The President's request of $1.05 billion is $390 million over current appropriations, and is intended to meet full entitlements for both full- and part-time students in all four classes of undergraduate instruction. However, the request is $250 million below the amount which the Office of Education requested last year for the same purpose. USOE bases its reduced estimate on a lower-than-expected participation rate for the programs.

However, there is reason to believe that BEOG participation would increase in the fourth year of the program, particularly if sufficient funds are appropriated to increase average grant awards. If unused FY 1974 funds are carried forward to FY 1975--which USOE is proposing and which we fully endorse--the maximum grants will be paid in the academic year 1975-76, and the program will for the first time have a chance to demonstrate its true potential for helping needy students gain access to higher education. The effect of the carryover on next year's program will be to increase the average award from $586 (in the budget estimate) to approximately $830 for 1975-76. In turn, this increase will stimulate a higher participation rate for both the academic year 1975-76 and 1976-77.

There is further reason to question the budget requests for BEOGs because college enrollments this year are higher than expected, due in part to the general employment picture--up 640,000 students over 1973-74. With unemployment continuing to rise, and the cost of living already up 12.2 percent over a year ago, the need for grant assistance in academic year 1976-77 will certainly be substantially greater than it appeared when USOE's budget estimates were originally drawn. We, therefore, support funding of BEOGs at a level of $1.35 billion, which the College Entrance Examination Board estimates as the total cost for 80 percent participation.

Supplemental Educational Opportunity Grants

Contrary to the law which requires funding of SEOGs as a condition of funding BEOGs, the Administration proposes to end this program for which $240 million is appropriated in FY 1975. This would eliminate an essential element of student aid packaging, and a program which serves 347,000 low-income students with an average award of $700 this year. No satisfactory replacement is offered, since the request for BEOGs is scarcely adequate to cover the addition of fourth-year students to the system. We urge that the FY 1975 level of funding for SEOGs be retained, consistent with the requirement of the law.

College Work Study

The Emergency Employment Appropriations Act which the House has passed includes an additional $120 million sponsored by this Subcommittee for College Work Study, which would bring the appropriation for FY 1975 to $420 million, the full authorization. We urge an identical appropriation for FY 1976. The Administration, on the other hand, requests a reduction to $250 million for this program. We find this request curiously inconsistent with the President's strong endorsement of the concept of work and study. This program is of great importance to thousands of students who must find work in order to help meet the costs of their education. With jobs scarce, they are experiencing tremendous difficulties in obtaining part-time employment of any sort. Without additional College Work Study funds, many of them would have to leave school prematurely and swell the ranks of the unemployed. The authorization level itself is inadequate to meet the need: for academic year 1975-76 (when the FY 1975 appropriation will be utilized), USOE's ten regional panels recommend a total of $581 million in Federal funds for the program.

Guaranteed Student Loans

We concur with the Administration request, but reject the Administration's contention that increased funding of GSL will begin to replace the aid now provided by SEOGs and NDSL. We also doubt that the number of loans is likely to increase as much as the 100,000 projected, in view of the current economic situation and the tight money market.

National Direct Student Loans

The minimal request of $9 million to cover the institutional 10 percent share of Federally-forgiven NDSL loan cancellations represents a reduction of $320 million from FY 1975, which would reduce the number of student loans from 728,000 to 328,000. Such a reduction is contrary to the law, which makes funding of NDSL capital contributions a requirement for funding of BEOGs. There is no alternative planned to take the place of this reduction, since the increase in GSL is barely adequate to cover annual program growth. We urge the continued funding of NDSL at the current level, as mandated by law, to maintain contributions to the revolving fund.

State Scholarship Incentive Grants

The Administration is requesting $44 million for SSIGs--a $24 million increase over FY 1975, recognizing that in two years of existence this program has generated an impressive response from the States, which match Federal funds dollar for dollar. For the same reason we believe that it would be a wise Federal investment to fund SSIGs at the full authorization of $50 million for new awards in addition to the existing level of $20 million for continuation awards.

Special Programs for the Disadvantaged

The Administration's request for $70.3 million is at the same numerical level which has been requested for these programs for the past several years. We support an increase to $100 million based on the disproportionate impact of the national economic situation on the financially and educationally disadvantaged students served by the programs, and based on the difficulties faced by financially strained institutions in supporting these projects once they have proven valuable.

Another continuation of the programs at the current funding level will again cause a reduction in their services due to the impact of inflation on operating costs. We feel that it is important not only to maintain successful projects at least at their current levels of activity, but to allow for development of new projects. While the demonstration technique was originally chosen as a means of stimulating multiple models for identifying and assisting college students, it did not take into account the current period of economic distress, during which sponsoring institutions have seldom been able to incorporate successful programs into their financial frameworks. Nevertheless, the mission of these programs remains to seek new techniques and, logically, to aid their assimilation by sponsoring institutions. We therefore urge that the higher level of funding be adopted as a means of preserving and expanding present accomplishments, and assuring that more able students in the target population enroll and succeed in colleges.

Cost-of-Education Payments

After adequate funding of student aid programs, our highest priority is the provision of Cost-of-Education payments under Subpart 5 of Title IV of the Higher Education Act. The Administration has never requested funds under this authority, a far-sighted measure which was added in the Education Amendments of 1972 to recognize the Federal obligation to help meet the costs engendered for institutions by the national effort to expand educational opportunities.

It is impossible to overstate the importance of this provision. We have made tremendous strides in broadening access to postsecondary education over the past decade. But institutions have had to bear an increasing burden of costs for the 1.5 million USOE-aided students. On the average, institutions are now meeting 39 percent of the cost of student aid expenditures from institutional funds. Moreover, they must finance the full costs of education from sources other than student tuitions. In public institutions, this non-student supported cost is 83 percent, and in private institutions it averages 47 percent. This is an important cause of the serious financial pressures now building on public and private institutions and calling into question their capacity to maintain educational quality and even their very capacity for survival.

We urge that the commitment of the Education Amendments of 1972 be implemented with the appropriation of $200 million for Cost-of-Education payments, to help institutions sustain their participation in the national expansion of educational opportunity in the face of mounting financial pressures.

II. INSTITUTIONAL SUPPORT

Strengthening Developing Institutions

The Administration is requesting $110 million, the current funding level for the program. We support an increase to $120 million, the full authorization level (and the amount requested by the Administration in FY 1975) for this important program of basic and advanced grants to developing institutions which serve significant numbers of minority students. The improvement of these institutions is being effected through student and faculty exchange programs (with institutions not aided by this Title), teaching fellowships, and introduction of new curricula, all of which are indispensable to meet the objectives of the program.

Language and Area Studies

The budget request of $10 million for foreign language and area studies represents a $4 million reduction from the $14 million appropriated for 1975. We urge Congress to return the FY 1969 level of $18 million for this important program and enable it to fulfill its broadened legislative mandate. An $18 million appropriation would not only maintain the high quality NDEA Title VI language and area centers, but would enable a limited number of middle- and small-sized programs, largely undergraduate, to compete for support. This, in turn, would allow a more equitable distribution among types of institutions and geographic regions. Several hundred additional fellowships could be offered, thus facilitating the entry of minority and disadvantaged students into the field. Additional fellowships would also provide incentives for students in medical education, business schools, and the sciences to add an intercultural perspective to their career development. The proposed level would permit the establishment of new, intensive instructional programs in such key emerging world-bloc languages as Arabic, Chinese, Japanese and Russian. It would also assure progress in the important task of infusing international content into the K-12 system, undergraduate education, adult and community education, professional schools, and teacher training programs through curriculum development and training.

University Community Services

Community Services Projects are currently funded at the level of $14 million. The Administration has proposed eliminating this program in FY 1976. We recommend that funding be increased to at least $20 million.

Some 700 institutions now participate in this program, using the knowledge and skills of their faculties to help contribute to the solution of local and national problems and to improve access to postsecondary education for community residents. The Administration considers this program "narrow" and "categorical," when in fact it is a model of revenue sharing, since the states determine their own priorities in the distribution of funds. A classical example of its value is the "energy conservation service" established by the University of North Carolina with $65,000 in Title I funds, matched by an equal amount of its own. This program reaches all industries and other parts of the private sector throughout the state and is achieving substantial savings in dollars as well as in fuel. Its success has promoted proposals for the establishment of a similar service on a national basis.

Aid to Land-Grant Colleges

Congress appropriated $9.5 million in FY 1975 for aid to land-grant institutions under the Bankhead-Jones Act. The Administration now recommends that funding be terminated. We urge that Congress continue its long-term commitment to this program and restore its funding to the authorized level of $12.46 million. For its recipients Bankhead-Jones funds are among the most valuable and useful they receive--particularly in the case of the historically black land-grant institutions. These funds are valuable out of all proportion to the absolute sums involved, because they can be used flexibly. The Administration says it is inequitable that only the land-grant institutions have such flexible assistance. We agree and believe it should be extended to all postsecondary institutions by funding the Cost-of-Education provision recommended above.

Veterans Cost of Instruction

The Administration is proposing no funds for FY 1976 for Veterans Cost of Instruction, now at a level of $23.75 million. We ask that funding be restored to the $25 million voted by Congress before the 5 percent reduction was imposed in the FY 1974 budget. Since Congress has extended the length of veterans benefits by a full year and liberalized allowances to enrollees in institutions, it is likely that large numbers of veterans will continue to claim their educational benefits--especially with the current level of unemployment. This program has been remarkably successful in enabling institutions to help veterans find educational opportunities suited to their needs, and its continued operation is particularly important at a time when the unemployment rate for veterans age 20-24 stands at 13.1 percent (Fourth Quarter 1974).

College Library Resources, Undergraduate Instructional Equipment

The Administration proposes to terminate both the College Library Resources program (funded in FY 1975 at $10 million for library resources and $3 million for library training and demonstrations) and the Undergraduate Instructional Equipment program (funded at $7.5 million). We recommend that funding for both programs be doubled. These programs have served a useful purpose for several years by encouraging the development of modern, efficient library services, the strengthening of academic library collections as a national resource, and the broader use of new technology in teaching. They benefit particularly the small- and medium-sized institutions which typically find themselves hard-pressed to maintain adequate services in these important areas in the face of drastic cost increases.

Cooperative Education

The Administration proposes to reduce funds for cooperative education from $10.7 million to $8 million in FY 1976. This reduction would curtail funds which institutions use for administration of programs that enable students to enter "the world of work" while still in school, thus building closer links between academic life and future careers as suggested by President Ford in his 1974 speech at Ohio State University. The program deserves continued support at the current funding level.

Strengthening Graduate Education

Graduate education in the United States faces serious problems of adaptation if it is to educate students effectively to meet the needs of a changing economy and society. Standard, traditional graduate education tends to stress the training of students for research and training in academic fields. There are going to be fewer of these jobs in the future.

At the same time, we urgently need persons equipped by rigorous advanced study to deal with the problems that beset the nation: energy problems, urban problems, international problems, and problems of the environment. Moreover, there are large new groups increasingly seeking graduate education: older and part-time workers in particular. These factors call for a transformation of substantial parts of graduate education through revamping of curricula, designing new courses, establishing new and stronger relationships with industry and government, and creating new problem-oriented entities within the university.

Such changes cannot be effected without substantial Federal support. Accordingly, we urge that $24.5 million be appropriated for renewed funding of Part A general assistance to graduate schools.

While the importance of modifying graduate education has been stressed, two other points must be made. First, some traditional departments should continue precisely what they have been doing because of their excellence, and the quality of many of them is threatened. Second, the sharp drop in Federal fellowships--from 51,500 in 1968 to 6,600 in 1974--has thrown a financial load on universities which can be met only by shifting inadequate resources from other critical areas--such as support for needy undergraduates.

Accordingly, a reversal of recent Federal policy is called for in the form of a selected moderate expansion of fellowship aid for the most able graduate students. Therefore, we support continuation of College Teacher Fellowships under Part B at $4 million, instead of the $3 million reduction requested by the Administration. We also recommend $8 million for continuation of the Part C public service fellowship program funded by Congress for the first time last year, an increase of $4 million to support a second class of students. Given the shortage of trained personnel required by industry in mining and mineral science research and development, we also recommend an increase of $1.5 million in Part D fellowships to support a second class to enter this program and continue the awards made under FY 75 appropriations. The Administration seeks to eliminate both programs.

In addition, we support the request of the Administration for an appropriation of $750,000 under Part D to provide graduate fellowships for needy students, and $500,000 for Allen J. Ellender fellowships.

The Administration is also asking to eliminate College Teacher Fellowships under Part E of the Education Professions Development Act, now funded at a level of $2.1 million. We believe this program addresses a significant need, and support its continued funding. These funds provide fellowships for graduate training at less-than-doctoral level, and short-term institutes and training programs to improve the skills of existing teachers, particularly in community colleges, black colleges and other institutions serving large numbers of minority and disadvantaged students.

Higher Education Facilities

The FY 1976 budget does not request funds for undergraduate or graduate facilities construction grants. Neither program was funded in FY 1973, 1974 or 1975, reflecting a lower priority for academic facilities construction in recent years. Now, however, the state of the national economy and the urgency of the energy problem justify a new priority for this program with emphasis on meeting the growing need for renovation, conversion and replacement of energy-inefficient, unsafe and obsolete facilities.

Institutions throughout the country are facing extraordinary increases in the costs of heating and maintaining their buildings, many of which are old and energy-inefficient. The capital costs of redesigning, remodeling and replacing outdated facilities is estimated to be over $8 billion, an expenditure which, it should be noted, would not add a single square foot to the facilities inventories of colleges and universities.

In addition, very high expenditures will be required of postsecondary institutions in the years immediately ahead to comply with the improved standards of employee safety and health which are being promulgated by the Occupational Safety and Health Administration. The cost of facilities compliance alone is estimated to be over $3 billion.

A revitalized program of academic facilities assistance, authorized by Title VII HEA as amended, would help meet these and related needs and have a direct impact on the national economy. Substantial numbers of renewal, conversion, and renovation projects are sufficiently planned to be placed under contract within 45 days after funds are allocated, according to Higher Education Facilities Services, Inc.

Therefore, we recommend an appropriation of the full authorization of $380 million ($300 million for undergraduate and $80 million for graduate facilities) for renovation and replacement. Since state and institutional matching funds are required, the economic impact would be at least double the appropriation, and could create 70,000 construction jobs within a relatively short period of time.

Ethnic Heritage

We recommend funding of the Ethnic Heritage Program at a level of $2.3 million, a modest increase from the current level of $1.8 million. The Administration proposes to eliminate the program, which is intended to encourage the development and dissemination of curriculum materials, teacher training, and related activities designed to broaden understanding of the history, culture and contributions of particular ethnic groups to American society.

Other Programs

Several programs such as Law School Clinical Experience, Establishment and Expansion of Community Colleges, and Postsecondary Occupational Education have been authorized by Congress, but have never been funded. We believe that the needs for these programs originally identified by Congress continue to exist, and merit funding at the earliest opportunity.

III. RESEARCH, INNOVATION, STATISTICS AND PLANNING

National Institute of Education

We urge the Subcommittee to approve in full the $80 million request for the National Institute of Education. In view of the difficulties NIE has had getting established, the proposed $10 million increase seems reasonable and its revised, goal-oriented programs seem realistic. The entire education community has a vital stake in NIE's development into an effective national center of basic and applied research. Unless the Institute is freed from the cycle of deteriorating funding and uncertain support which has characterized its appropriations, it will never have a chance to realize the high hopes which were initially held for it.

National Center for Education Statistics

The Administration is requesting $16.7 million for education statistics in FY 1976--an increase of $7.6 million over 1975. We fully support this increase, which we believe keeps faith with the intent of Congress expressed in the 1974 Education Amendments to improve the usefulness of Federal statistics and data collection. The education community and the Congress now suffer from a lack of adequate statistics, and we hope that the Subcommittee will endorse the request in full as the first in a series of steps which should be taken to bring NCES abreast of other major governmental statistics programs such as those for labor, agriculture, industry and health.

Fund for the Improvement of Postsecondary Education

We strongly support the Administration's request of $17.5 million to advance the work of the Fund for the Improvement of Postsecondary Education. The Fund is making genuine progress in stimulating reform and innovation and in assisting efforts to bring postsecondary education services to more Americans of adult age levels. In its relatively brief existence, the Fund has generated a series of projects which hold exciting promise for improving the delivery of postsecondary education to the large unserved population of adults in the nation. The impressive record of this program since its establishment in the 1972 Education Amendments fully merits the proposed $6 million increase.

State Postsecondary Commissions

The Administration proposes no funds for these Commissions in FY 1976. It is our judgment that the work of the Commissions should be continued at the current level until Congress has passed judgment on the merits of the authorizing legislation, which will be reviewed later this year.

Special Projects Act

We support the Administration's request of $39 million to implement the Special Projects Act. Some $21 million of the request would go for funding of new innovative and experimental programs. In particular, the Council supports the inclusion of $6 million for the Women's Educational Equity Act, $10 million for career education demonstrations, and $3 million for consumers education.

	'75 Appropriation	'76 Budget	Higher Education Requests		
				Over '75	Over '76 Request
STUDENT ASSISTANCE PROGRAMS*					
Basic Educational Opportunity Grants	660	1050	1350	+690	+300
Supplemental Educational Opportunity Grants	240	-	240	-	+240
College Work Study	420**	250	420	-	+170
National Direct Student Loans	329	9	329	-	+320
State Scholarship Incentive Grants	20	44	70	+ 50	+ 26
Special Programs for the Disadvantaged	70	70	100	+ 30	+ 30
	1739	1423	2509	+770	+1086
Cost-of-Education Payments	-	-	200	+200	+200
Facilities Renovation and Conversion	_	_	380	+380	+380
CATEGORICAL PROGRAMS					
Developing Institutions	110	110	120	+ 10	+ 10
Language and Area Studies	14	10	18	+ 4	+ 8
Community Services	14	-	20	+ 6	+ 20
Land-Grant Aid	9.5	-	12.5	+ 3	+ 12.5
Veterans Cost of Instruction	24	-	25	+ 1	+ 25
College Library Aid	13	-	26	+ 13	+ 26
Undergraduate Equipment	7.5	-	15	+ 7.5	+ 15
Cooperative Education	10.7	8	10.7	-	+ 2.[illegible]
Strengthening Graduate Programs (HEA IX)	10.3	1.8	40.3	+ 30	+ 38.5
College Teacher Fellowships (EPDA Part E)	2.1	-	2.1	-	+ 2.1
Ethnic Heritage	1.8	-	2.3	+ .5	+ 2.3
1202 Commissions	3	-	3	-	+ 3
Total Categorical Programs	219.9	129.8	294.9	+ 74	+165.1

*Does not include GSL

**Includes proposed Supplemental

International Education

STATEMENT OF DR. STANLEY SPECTOR, DIRECTOR OF INTERNATIONAL STUDIES, WASHINGTON UNIVERSITY, ST. LOUIS, MO.

ACCOMPANIED BY:

MS. ROSE HAYDEN, INTERNATIONAL EDUCATION PROJECT, AMERICAN COUNCIL ON EDUCATION

DR. FRED BURKE, COMMISSIONER OF EDUCATION, THE STATE OF NEW JERSEY

INTRODUCTION OF ASSOCIATES

Senator Montoya. Now we have with us Dr. Spector on International Education. Dr. Spector, would you identify your assistants?

Ms. Hayden. I am Dr. Rose Hayden with the International Education Project of the American Council on Education. It is my privilege to talk to you and to introduce to you Dr. Fred Burke, commissioner of education for the State of New Jersey, and Dr. Stanley Spector, director of international studies, Washington University in St. Louis, Mo.

They will be presenting testimony on behalf of international education, specifically NDEA title VI/Fulbright-Hays, section 102(b)(6).

I would like to turn to Dr. Burke. Thank you.

Dr. Burke. Senator, I am Fred G. Burke, commissioner of education, the State of New Jersey. I appreciate this opportunity to testify and to speak to the importance of international education. I think it is important to bring to your attention the fact that from 1960 to 1967 I was director of the program of East African studies at Syracuse University's Maxwell School of Citizenship and Public Affairs. And then from 1967 to 1970 I was dean of international studies at the State University of New York in Buffalo. And prior to assuming my current responsibilities in New Jersey as commissioner of education, I was commissioner of education in Rhode Island.

Senator Montoya. Do you have a copy of your statement? We do not have one here.

Dr. Burke. Yes. I just brought it in, sir.

Senator Montoya. Thank you.

Dr. Burke. I was saying I was commissioner of education at Rhode Island with responsibility for higher education as well. It is an unusual combination of experiences, I think, in elementary and secondary education, higher education and in international studies. It has given me a unique opportunity to assess the importance of international education at a variety of levels and from a variety of vantage points.

I have, for example, been able to ascertain—there exists a very close relationship between domestic, ethnic, and race relations and the attitudes young people form toward people from other nations. The interrelationship of international to domestic problems is keenly felt in New Jersey, for example, a State which last year alone absorbed 26,000 immigrants. The great bulk of these Americans are Spanish speaking and in response to their special needs our State requires bilingual and bicultural education in every school district that has 20 or more pupils of limited in English-speaking ability.

STATE CONTRIBUTION TO BILINGUAL EDUCATION

Senator MONTOYA. How much is the State putting into bilingual education?

Dr. BURKE. The State requires by law that the local districts provide this and this is the first year. We are not sure exactly what it is going to cost the local districts. The State itself has appropriated over $3 million this year.

Whether our newest citizens will receive, as our New Jersey constitution requires, a thorough and efficient education, and whether or not they will live in peace and harmony with their fellow citizens, I think, will depend upon the intercultural and interethnic attitudes which will be shaped and formed over the next decade.

I can attest to the increasing and urgent need for more Federal assistance in the areas of language studies and programs to enable the citizens of our State as one to respond to what is a rapidly changing composition of our own population.

Senator MONTOYA. May I interject at this point with respect to bilingual education? I know you have a lot of Puerto Ricans and you have a lot of Portuguese in New Jersey; do you not?

Dr. BURKE. Not too many Portuguese. We have a lot of them in Rhode Island, so I am familiar with it.

Senator MONTOYA. What other ethnic groups do you have that have a language difficulty?

Dr. BURKE. A large Cuban population.

Senator MONTOYA. Cubans?

Dr. BURKE. Increasingly from the Caribbean as well as throughout the Caribbean. And some from Venezuela, Colombia.

Senator MONTOYA. We have a very aggressive bilingual education program in New Mexico and it is taking hold in California and Texas.

ALBUQUERQUE, N. MEX., PROGRAM

Let me recite some statistics for you. In the city of Albuquerque, where the city school started the first demonstration program, bilingual education started from nothing but it was very successful from the beginning. We now have 5,000 students in kindergarten taking bilingual education. And of course you know how they do it. They teach them simultaneously how to read and write the Spanish language as well as the English language and they interchange during the training from one language to the other, and they become very proficient in both at that age level.

And the programs have been so successful in Albuquerque that the parents of strictly English-speaking children have asked that the bilingual concept be extended so that their children will learn Spanish.

And so they have 1,000 children enrolled at local expense to the part of education or the district there. They have 1,000 English-speaking children engaged in bilingual education programs learning to speak Spanish while they also learn to read and write English.

Dr. **Burke**. That is exactly the kind of thing I am talking about because I think this has to cut both ways. I am a little bit familiar with your program. The Council of State School Officers met in Santa Fe I think about a year and a half ago and I spent about 6 or 7 days and I had an opportunity to see some of your programs. They are very impressive.

Senator **Montoya**. I was bilingual from the time I started speaking. My mother was a schoolteacher.

Dr. **Burke**. I spoke another language before I spoke English. My parents were immigrants.

Senator **Montoya**. I am glad to know you had $3 million in State funds for New Jersey and then you have enabling legislation for the school districts.

Dr. **Burke**. We have legislation just passed which we are now implementing which requires every school district in the State—603, I think, as of yesterday—to provide a bilingual education of at least 3 years duration in any school in which—I forgot the exact portion. I think I mentioned it to you; 20 or more pupils.

That is going to have to be clarified because we also have a fairly large influx of Italian-speaking people, Polish, and they are now suggesting that this be made available to them.

Senator **Montoya**. In other words, for all of them.

Dr. **Burke**. So we have established a bilingual council statewide which just included a director and we have $3 million for pilot programs, which we will combine with Federal bilingual funds and help the local school districts implement this legislation.

Senator **Montoya**. Well, the local school districts are going to have to bear the major burden. That is the bone of contention, because with Federal funding we can only touch about 3 percent.

Dr. **Burke**. That is right. However, the State really ought to bear more than it does. Original legislation had the State picking it all up but somehow, as you know, State legislatures had that wiped out.

Senator **Montoya**. They do not know what bilingual education is to start with.

Dr. **Burke**. There is a lot of controversy around that.

Senator **Montoya**. Quite a few educators do not know what bilingual education is. That is why the program has not received more sympathetic treatment.

Thank you. You may proceed.

Dr. **Burke**. As our planet continues to shrink it is imperative in my estimation to seek to build adequate human and international foundations for cooperation. We are particularly sensitive to this need in New Jersey. For many of our citizens the problems of Cuba, of Africa, and of Puerto Rico are frequently closer and more relevant to them than maybe the problems of California, Texas, and Illinois. But the problems of world interdependency are apparent to all of our citizens and have been brought home sharply recently by severe imbalances in energy and food, population, environmental pollution, and so on.

Increasingly national concerns in scope have become transnational and the institutions and relationships required to cope with these transnational problems of necessity have to evolve, if, indeed, world civilization is to persist.

New assumptions, non-Western assumptions, about man and his society are being articulated by new independent nations. This new international dialog requires a new and more informed understanding of the language and customs of other nations that we now have.

As America turns to substituting cultural and moral leadership for economic might and military muscle, it becomes not only desirable but essential that we respond to new dramatic changes that are occurring within our universe. Unless we devote increasing resources in language and area studies to broaden our understanding of our fellow man, to cope with the effects of social, cultural, political, and economic change, we cannot hope to maintain a primary position in world society.

In retrospect, it is now possible for us to realize how unprepared we were at the beginning of World War II to deal with a host of unfamiliar societies and cultures. And I had an opportunity, I had that experience as well. As always, Americans responded to an emergency situation and, through crash programs, improved our knowledge and our capacity to deal with other nations, but certainly not to the extent that it would have been possible had we incorporated such activities into our educational processes.

It is disturbing to me as one who has witnessed the consequence of cultural unpreparedness and has participated in such crash programs and as one who is keenly conscious of the relationship of international, intercultural understanding to interethnic and interracial cooperation that since 1964 we have decreased rather than increased the resources applied to this important purpose. The cutbacks in title VI, as well as in most public and private international education programs, I fear has left us once again exposed and vulnerable.

We have by 1975 dissipated, in my estimation, far too much of our language in an area of expertise. We should be rebuilding our professional skills and our knowledge and our resources now to meet the challenge of an even deeper and more widespread involvement of our people with all peoples of the world. Hopefully, we can learn historical issues, historical lessons instead of reaping historical mistakes.

For these reasons I would urge the Congress to fund title VI at the $18 million level so as to enable the people of our Nation to regain a high efficiency and understanding in communicating with peoples and cultures of other nations. Funding at the $18 million level would have three very specific beneficial effects. First, it would increase the number of available fellowships, thus aiding the entry of minority students from other professional disciplines, like business and medicine would benefit from foreign language and area studies.

I digress just a moment, Senator. It seems to me that the likelihood of youngsters entering our kindergartens today are going to fulfill their life's work in their own State, or even their own Nation, is increasingly unlikely.

Second, I think it would permit the establishment of new instructional programs in key Third World languages as Arabic, Chinese, and Japanese.

And third, it will stimulate the infusion into the educational mainstream of knowledge and skills gained through in-depth programs of international studies.

Unfortunately, the significance of small programs like title VI are sometimes overlooked in the urgency of billion and multibillion dollar programs, whereas it is difficult for State educational systems to assume programs supported by title VI because they are primarily of a national concern as opposed to State interest.

Expenditures for title VI programs, on the other hand, do generate approximately $5 or $6 for each Federal dollar expended. Thus conceivably $18 million appropriation would trigger upwards of $100 million of State and private funds.

For those of us who wrestle with the public policy issues and who are familiar with some of the problems in various parts of the world, it is clear that one of the best ways to comprehend the dimensions of our own problems is to become familiar with the efforts of other societies as they seek to address themselves to such transnational concerns as pollution, population, generational conflict, race relations, urban decay. Like most human endeavors, international understanding is based on learning.

Adequate funding for title VI, in my estimation, will play a very important part providing we further learn opportunities for international understanding.

I thank you very much.

Senator Montoya. Thank you, Dr. Burke.

Mr. Hayden. For our concluding statement, Mr. Spector.

Dr. Spector. Senator, I would like to thank you on behalf of all my colleagues who are engaged in fields of international studies for this opportunity to present a point of view which I think——

Senator Montoya. Are you going to read the whole statement?

Dr. Spector. No, I am not.

PREPARED STATEMENT

Senator Montoya. Well, it will be made a part of the record, as all statements will be, and I hope that you can proceed to summarize it.

[The statement follows:]

Mr. Chairman and Honorable Members of the Committee:

On behalf of my colleagues engaged in the various fields of international education, particularly those who teach in language and area studies programs and who undertake research on international-intercultural problems at the higher educational level, I should like to express gratitude to you for affording us this opportunity to present our views and recommendations. I do so with a deep sense of the responsibility which this implies, particularly at a time when our nation is wrung by self-doubt over its international role and is riddled with concern over adverse economic conditions. It is with an awareness of the primary importance of economic security and stability, of national security and defense, and of the fundamental American social and moral convictions which unite our people, no matter how we may temporarily divide over ways and means to express these convictions, that I venture to occupy your valuable time and attention.

Over the past fifteen years I have been concerned professionally with virtually every phase of international education and language and area studies in the United States. I am former President of the Chinese Language Teacher's Association of America, and twice past chairman of the Midwest Conference on Asian Studies, the largest regional branch of the Association for Asian Studies. More than a decade ago I had the privilege, as Chairman of the National Committee for Undergraduate Education in Asian Studies, to appear before Committees of the Senate and House to testify on behalf of the National Defense Education Act in the aftermath of the Sputnik shock. My career has primarily been devoted to teaching and research on Asia, particularly China and Southeast Asia, but I have also served as full-time consultant to the Division of Foreign Studies (now Division of International Studies) of the U.S. Office of Education, as Director of the California State Colleges program of Study Abroad in Japan, as project and field director in

East and Southeast Asia of numerous group projects in Japan, Singapore, Thailand and Indonesia. I am also consultant in International Studies of the Consortium of Community Colleges for International Studies, on behalf of which I recently produced two films on the People's Republic of China. These experiences have afforded me an opportunity to know quite intimately the workings of virtually every phase of the National Defense Education Act, Title VI, and the Fulbright-Hays Program.

Speaking parochially, in the great State of Missouri we have developed one of the most important learning facilities for Chinese and Japanese Language and Area Studies in the region, if not the nation. This program, of which I am general director, is centered at Washington University, but through consortial arrangements extends its activities and benefits to other local institutions such as the University of Missouri and St. Louis University. The existence of opportunities in Chinese and Japanese at Washington University simultaneously made it possible for us to launch extremely successful programs in these languages in the public and private secondary schools. Hence, it came as a great blow to us, as it did to many institutions in the Midwest, South and Southwest, when in 1973 the number of NDEA Language and Area Centers was, owing to financial exigencies and certain policy reorientations reduced from 106 to approximately 50. Although the establishment of an additional 14 Centers in the current year helps to restore the situation, this overall loss in national resources and potential education cannot be discounted lightly. At recent regional meetings of educators held in Lincoln, Nebraska, and Lawrence, Kansas, specialists in such diverse fields as agriculture and Chinese antiquities spoke with much dismay and bitterness of the cutbacks to which we have referred above. On the other hand, in its wisdom, the Congress, and particularly the Senate did courageously restore to the NDEA Title VI and Fulbright-Hays budgets funds which the Administration had deleted. Thus Congress saved a long-proven and greatly-needed program from disorientation and complete collapse.

In order to maintain and improve upon the existing minimal programs in language & area and international studies in our nation, the international studies community recommends an appropriation of $18 million. This is a low, indeed almost ridiculously small figure given the importance of these programs to the security, economic well-being and intellectual and moral health of our beloved country.

In addition to the modest increases in funding which I would suggest, there is an important need to spell out certain directions for the use of these funds, particularly in the removal of restrictions of dollar funds to use in certain countries but not in others. Thus, for instance, although in its wisdom the Congress last year did raise the appropriation of funds for the Fulbright-Hays research grants, for the vitally important research projects in the Near and Middle East, funds could only be made available for the UAR and Tunisia. It is almost ludicrous that a great nation's research and training priorities should be set not by policy considerations and according to real educational needs among the citizenry, but by fortuitous and temporary circumstances of currency balances.

I have suggested the sum of $18 million as a realistic and educationally sound funding target for meeting needs which have been well established and documented repeatedly in the past decade. Let me now indicate some directions which international educators believe would be beneficial in the allocation of these monies:

a) Fulbright-Hays research funds: suggested $3 million, with restrictions lifted to allow funding in a large number of countries.

b) NDEA Title VI: 1) Restoration of a larger number Language and Area Studies with particular attention to the need for regional accessibility to such centers.

2) Establishment of what may be called "grass-roots" programs to bring awareness and solid education in cultures other than our own to Americans over a broad social and geographical spectrum.

3) Increased allocations for funding NDFL Fellowships, which more than any other single element guarantees the national production of experts and scholars, providing basic language and area study education, as well as advanced disciplinary and professional training, along with opportunities for necessary research experience overseas. This Fellowship program is our greatest guarantee for competence, as well as for the maintenance of superior training facilities, whether or not they are funded and designated as "NDEA Centers." A wide concensus of responsible academic opinion holds that the Fellowship program is a critical component of the NDEA. Given the straitened circumstances of American colleges and universities today, there can be no doubt that the laudable policy of granting fellowship allocations to worthy programs, regardless of whether or not they are federally-designated centers or programs, has been a significant factor in ensuring minimal maintenance and continuation of excellent programs on a broader national scale than would otherwise have been possible.

4) Establish and/or maintain summer intensive language programs in "critical" and "very critical" languages. In the case of the "critical" languages (those which are uncommonly taught, difficult to acquire, and of extreme national importance, such as Chinese, Arabic, Japanese and Russian) what is required are one or two nationally-funded summer programs. Other programs are in any case offered by qualified institutions during the summer, and it is only necessary that suitable fellowship funds be made available for summer study to enable students to take advantage of

these program offerings. In the case of "very critical" languages (languages for which instruction is currently non-existent or barely available) fully-funded, summer-intensive and year-round intensive language programs should be supported.

5) Within the above broadly-outlined matrix, a new, carefully designed program for Equal Educational Opportunity Abroad could be established to provide scholarship subsidies to enable students presently unable to take advantage of Study Abroad Programs to share the valuable overseas education and training experiences now available only to more providentially situated students.

Owing to the dedication and fortitude of members of the educational community, associations, foundations, the excellent staffs of both the House and Senate Committees, the invariably supportive work of public officials in the U.S. Office of Education, and, hardly least, the wisdom and courage of the members of the Congress of the United States, most if not all the programs are now in place. What remains is to see that they are funded at a realistic level, and are evaluated and refined through practice and experience.

In the interest of brevity, I should like to avoid repeating the copious data already made available to you by previous witnesses and testimony, and concentrate in my concluding remarks upon the importance of the program under review. I have spoken of this previously in terms of political, economic, and moral considerations, the last being perhaps the most vital of all in the long run.

The political considerations which I perceive can be divided for expositive purposes into domestic and foreign or international, although in fact these aspects are indivisible. The President, the Secretary of State and distinguished Senators and Representatives have already expressed concern over the national trauma occasioned by the tragedy of our military involvement in Vietnam. Whether we would originally have allowed our nation not only to overextend itself, but to do so in ways which run in the face of both our own national interest and the interests of fellow human beings in distant parts of the world had our public and leadership been more sensitive to the issues involved and alert to the dangers lurking in the path ahead is perhaps a debatable point, but one which most international and area specialists seem to be quite clear about. The material, human and moral costs of the Indo -China debacle may have been avoided had we possessed an educated public opinion. Catchwords and jingoism fail in the face of reason and calm understanding. But analysis requires an ability to make educated judgments, and the American people cannot be instantaneously educated for each crisis as it looms on the horizon. This is a long-term process which must take place all along the educational track, which means from kindergarten, through formal school, and throughout life, utilizing every media of education available in this, the most technologically advanced nation in the world.

Regardless, however, of why or how we blundered, the present problem is how we are to face the resultant challenges today. We maintain that the strengthening of international and language and area studies, in the directions suggested above, would be a key signal. It provides fundamental assurance that we are not "turning our backs" on the world, not retreating to a new isolationism, and not embracing a philosophy of despair. Through our commitment of resources to American institutions and students, we prove that our international consciousness is more alive than ever, more positive in our chastened state of mind, and better directed to meet the needs of our fellow inhabitants of this globe, whether on the American continents or across the seas. We give assurance that we are raising new generations better equipped to cope with, if not solve the problems of the interdependent world of today and the day-after-tomorrow.

The program will produce the specialists needed by our government, the teachers needed by our students, and the professionals needed in every conceivable field of development from business and industry to law and architecture, both at home and abroad. But above all, it will help produce a citizenry which can understand and guide the decisions of those whom we entrust to speak for us in the council of nations and in the unending variety of international liaisons which are the mark of this era and the future.

The economic implications of NDEA Title VI and Fulbright-Hays, Section 102 (b) (6) programs are equally timely. Reduction in the number of centers and programs, or stagnation in the face of inflation, produces unemployment at worst. At best, it diverts valuable national scholarly assets to occupations far less critical to the national interest. Either result constitutes economically unjustifiable wastage. For this reason, the establishment and/or expansion of what I have termed "grass-roots" programs over the length and breadth of this nation are essential. For it is the smaller and medium-sized programs, and the filtering down from them to the community colleges and public schools, which provide employment opportunities for the vast majority of scholars and teachers produced by the larger Centers. The drying-up of local programs, in the face of cutbacks and inflation, creates a sluggish employment market in the field of higher education which only excerbates the current economic crisis in our schools and colleges. The increase of support to the required level, on the other hand, must inevitably lead to a revival of the employment market as local institutions are encouraged to develop their resources in international education, and particularly language and area studies.

Our labor market cannot, at this time, easily absorb, or worthily employ, large numbers of youth who turn away or who are turned away from educational institutions and from educational pursuits in the international field because of the lack of programs and resources locally available.

How much better to give them a lively and vital education than monthly unemployment checks.

Recently it was my privilege to accompany the Greater St. Louis Commerce and Growth Association's Trade Mission to Japan. In the company of virtually all our local business leaders and mayors, we called upon representatives of leading Japanese commercial and industrial organizations. It was deeply gratifying to me that the Japanese-speaking manager of the Mission was a product of Washington University's Japanese language program, which had been opened to him because of our consortial arrangement with the University of Missouri-St. Louis, where he had been a student of Business Administration. It was equally rewarding to be told by the Vice-President of the Pet Milk Company, that my own presence as an Asian scholar had helped make possible a major, mutually-beneficial contract between that company and a major Japanese trading company. Let us consider the automobile market in America today, and ask ourselves if we do not need to develop a vast corps of young businessmen and professionals, competent in the languages of our neighbors, and familiar with their customs and practices, in order to give new life abroad, on mutually beneficial terms, to American commercial initiatives?

How much more can we accomplish through understanding, awareness, sensitivity and familiarity with the outlook and needs of others, all reflected in peaceful and creative pursuits rather than through force? Yet should national security ever require meeting force with force, how much better prepared we would be with a well-informed, unpanicky citizenry, an enlightened army, and officers equipped to understand the enemy and meet him on his own terms?

Morality lies at the bottom of our anguish and our hopes; it is the basis of every joy which Americans know and every good we wish upon our fellows throughout the world. But to translate morality into individual and national action in any true and valid manner requires a profound understanding not only of the fullest dimensions of our own values, but equally of those of other men. America is a nation of plural ethnic groups who share common American values but at the same time are steeped in traditions developed in every corner of the world. We have the opportunity to avail ourselves, through our very fibre, of the best and the most beautiful that this world offers. America is the harmonization of such elements, and the further development in concert of all the themes carried to us over the generations. If we are to understand ourselves, not to mention our friends of other nations, we must comprehend the diversity and immensity of our own national culture. I submit that it is this, above all, that our educational system, if properly oriented, can bestow upon all our citizens, but most importantly, our youth. When we have pride and confidence in ourselves, when we understand the complex fabric which lies at the basis of our own morality, we shall look more willingly, tolerantly and patiently at our friends, and even our so-called "enemies." Our ultimate moral objective, is to have no enemies, to find a basis for peaceful coexistence and positive mutual support with all the peoples under Heaven. If education here cannot do it, and an American commitment to this end cannot do it, what else can? It must ever be our hope and faith that men of good will throughout the world will perceive these truths and nurture them in their own societies. Meanwhile, we here at home, in this august chamber, can set the example. Our attitude and decisions toward international education in its most sacred and profound sense will be seen and heard 'round the world for years to come. Indeed, our place in this world will be all the more secure and effective as a direct consequence of our expanded commitment to internationalizing American education. Thank you.

STATEMENT HIGHLIGHTED

Dr. SPECTOR. I would like to summarize a few points. One is that my own career has been primarily in the field of Chinese and Japanese studies, and I have just completed a film on behalf of Consortium of Community Colleges for International Education which I made in China 2 years ago. And I am very gratified to be able to tell you, Senator, that very recently the University of New Mexico at Las Vegas established a Japanese program calling upon graduates of my own program to lead the way. It shows that in the State of Mew Nexico there is a mounting interest and a sense of the need for some studies of Japanese language and Japanese culture.

I would like to summarize my statement by saying it is my feeling that $18 million would be an appropriate funding level for the National Defense Education Act, title VI and the Fulbright-Hays budgets in order to maintain and improve upon existing minimual programs that exist in our country. And this is really low, almost ridiculously small figure given the importance of these programs to the security, economic well being, and intellectual and moral health of our country. But it is vital.

ALLOCATION OF NDEA, TITLE VI FUNDS

Rather than take your valuable time spelling out in my testimony the disposition of this $18 million, we have some recommendations that I would like to place on the record at this time as to how this money might be allocated if it were appropriated.

Senator MONTOYA. Without objection it will be inserted at this point.

[The information follows:]

WHERE MONEY WOULD GO IN $18 MILLION BUDGET

I. Specialist Program/Comprehensive Centers $7,000,000

Graduate-Undergraduate Comprehensive Language and Area Centers

These are the centers which are responsible for the training of specialists in language and area studies and for training international intercultural specialists as well. A major responsibility of most of these larger centers is that of diffusion or outreach to the K-12 system, short-cycle postsecondary institutions, adult and extension education, etc. All are dedicated to maintaining excellent academic programs and advanced scholarship in their respective world areas.

45 centers at $65,000 — $150,000 **$5,500,000**

Undergraduate Comprehensive Language and Area Centers and Programs

These are centers located at institutions which are primarily undergraduate in orientation and which train language and area specialists at this level who usually pursue advanced graduate studies at other institutions. These middle- to small-sized centers also maintain outreach and diffusion activities in their region and represent a base for knowledge and scholarship in the international field.

30 centers at $50,000 **$1,500,000**

II. Strengthening Dimensions Program $2,500,000

This program involves grants for short-term complementary support of activities aimed at infusing an international dimension at the undergraduate and the graduate levels which the institution is expected to continue. These monies [$40,000 each for graduate proposals and $30,000 each for undergraduate proposals] enable innovative programs to come into existence at institutions previously unable to compete for these funds and previously unserved. Professional schools, for example, are eligible to receive seed monies for such projects as energy research or oceanographic study or any number of proposals related to functional and topical problems of a global nature and of marked international concern.

Approximately 75 grants of from $30,000 to $40,000 each

III. Fellowships $5,000,000

Fellowships support advanced study in language and area studies, international and intercultural affairs, and in professional fields with a comparative or international focus. These fellowships enable advanced students to pursue their training at institutions with a recognized, high-quality international program, and are not necessarily tied to centers or programs listed under category I. "Specialist Program/Comprehensive Centers and Undergraduate Centers and Programs." New emphases are being placed on needs criteria as well as on efforts to reach previously uninvolved constituencies such as women and minorities, students in professional school programs, etc.

Approximately 1,100 at $4,400 each.

IV. Research and Development $1,000,000

These activities are designed to fill critical program gaps unmet in the above categories. Studies of an analytical nature for purposes of program evaluation, development of teaching materials of primary interest, and other such pointed and generally short-term projects are funded in this area.

V. Special Instructional Language Programs $500,000

Although it is clear that the majority of support for language instruction is forthcoming from other categories of this budget, there is a need for a continuous capacity to provide highly-intensive language instruction in critical languages, such as Chinese, Japanese, and selected Asian and Slavic languages. These languages would be taught on a year-round basis, but most especially in the summers when faculty and other professionals and students can attend these sessions.

VI. Fulbright-Hays Monies—Section 102 (b) (6) $2,000,000

This legislative act authorizes a wide variety of activities in such areas as teacher education and curricular development.

TOTAL **$18,000,000**

REDUCTION IN ADMINISTRATION REQUEST

Senator **Montoya**. Let us say for the record that for the year 1974 the total appropriation involved for Senate scholarship and research, $11,333,000. For Fulbright-Hays Scholarships, $1,360,000. And for the fiscal year, $11,300,000 and $2,700,000, a total of $14,250,000 for both years. And now the administration request is for a total of $10 million, reducing the programs.

Dr. **Spector**. This is what fills us with dismay.

Senator **Montoya**. We will be very cognizant of this and the level and the comparability that we should make in evaluating your petition, sir.

Dr. **Spector**. This would be greatly appreciated. There are three major aspects that would show the importance of this program. The first is political, and I think a word should be said that at this particular period in history, when the President, Secretary of State, and distinguished Senators and Representatives and other representatives of our people have expressed concern over the national trauma occasioned by the tragedy of our military involvement in Vietnam, we can well ask what might have happened had we had a better education in the facts of international life and a deeper appreciation of the cultures and aspirations of other people. And perhaps the material, human, and moral cost of the Indochina debacle could have been avoided did we possess a really educated public opinion that could not be stampeded into hasty, ill-considered actions.

Secondly, I would like to point to the fact that we would like to demonstrate to the world and to our own people that we are not turning our backs on the international world and only through educating and constantly educating our citizens through these acts can we make the kind of commitment that America really must make for the future in the international field.

On the subject of the economic importance of the NDEA title VI, I think Dr. Saunders has spoken eloquently just before me and so we can save some time.

I would like to add that my own experience last year going to Japan with the Commerce and Trade Association of Greater St. Louis convinced me of the importance of these studies by having some of my students and myself with a mission. We were able to conclude major contracts with Japanese firms.

If we could consider the state of the automobile market today in America, one of our most important industries does not have adequate support through the use of people who are trained in the languages and cultures. We are not making good sales pitches abroad. I think the American economy could be revitalized greatly by having people skilled to conduct the foreign affairs of our Nation, the foreign affairs and economics, commerce and industry.

And finally, I should think most important to all Americans is the question of morality. Morality lies at the bottom of our anguish and our hopes; it is the basis of every joy which Americans know and every good we wish upon our fellows throughout the world. But to translate morality into individual and national action in any true and valid manner requires a profound understanding not only of the fullest dimensions of our own values, but equally of those of other men. America is a nation of plural ethnic groups who share American values but at the same time are steeped in traditions developed in every corner of the world. We have the opportunity to avail ourselves, through our very fiber, of the best and the most beautiful that this world offers.

America is the harmonization of such elements, and the further development of such concert of all the themes carried to us over the generations. If we are to understand ourselves, not to mention our friends of other nations, we must comprehend the diversity and immensity of our own national culture. I submit that it is this, above all, that our education system, if properly oriented, can bestow upon all our citizens, but most importantly, our youth.

When we have pride and confidence in ourselves, when we understand the complex fabric which lies at the basis of our own morality, we shall look more willingly, tolerantly, and patiently at our friends, and even our so-called enemies. Our ultimate moral objective is to have no enemies, to find a basis for peaceful coexistence and positive mutual support with all the people under Heaven. If education here cannot do it, and an American commitment to this end cannot do it, what else can? It must ever be our hope and faith that men of good will throughlout the world will perceive these truths and nurture them in their own societies. Meanwhile, we here at home, in this august Chamber, can set the example. Our attitude and decisions toward international education in its most sacred and profound sense will be seen and heard around the world for years to come.

Indeed, our place in this world will be all the more secure and effective as a direct consequence of our expanded commitment to internationalizing American education.

Thank you. Thank you very much, Senator.

NATIONAL ASSOCIATION FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION

STATEMENT OF MILES FISHER, EXECUTIVE SECRETARY, NATIONAL ASSOCIATION FOR EQUAL OPPORTUNITY IN HIGHER EDUCATION

PREPARED STATEMENTS

Senator MONTOYA. Mr. Miles Fisher, National Association for Equal Opportunity in Higher Education. Your statement will be made part of the record, and you may proceed to summarize it, sir.

Mr. FISHER. Mr. Chairman, the first statement you have, one of two, that is my sort of summary statement. I would like to present that, and these other statements are sort of backup statements for in detail that I would like to submit for the record.

Senator MONTOYA. Without objection, it will be included.

Mr. FISHER. Then I have a third statement which is somewhat ahead of the hearings of the International Institute of Health, which I would like to be considered at the time that you take up the minority biomedical schools program.

Senator MONTOYA. It will be placed in the record at this point.

Mr. FISHER. Fine, sir.

[The statements follow:]

The National Association for Equal Opportunity in Higher Education represents the historically black colleges and universities of our Nation. There are 107 institutions located in 15 Southern States, 4 Northern States and the District of Columbia enrolling more than 200,000 students. Of the 107 historically black institutions, 21 are community and junior colleges; 87 are 4-year colleges and universities. These institutions graduate more than 30,000 students annually with baccalaureate, graduate, and professional degrees. If we included the graduates during the forthcoming 1975 commencement, these institutions since 1966 would have graduated more than a quarter of a million students with baccalaureate, graduate, and professional degrees.

They have and will be in the foreseeable future a major vehicle for the mobility of many black people and others into all levels of American life. These institutions, despite handicaps created by neglect and malicious intent, have enabled hundreds of thousands of students shackled by poverty and racism to break free. These institutions have earned the right to a continuing service to the Nation.

The historically black colleges and universities represent an existing mechanism that can be improved and used to intensify the positive efforts to equalize opportunity. Unless there is a genuine commitment to eliminate anything adversely affecting the performance of the historically black colleges and universities, enrollment and graduates will decline, thus prolonging the inequities of this society.

Federal support is very vital to the future of these institutions. These institutions continue to need financial support for students, faculty, staff, facilities, equipment, and general institutional support. The Federal Government must continue to provide increased support for these institutions. It will take a continuing effort by the public sector to fulfill a true commitment to equal educational opportunity in higher education.

This statement is an expression of some of the priorities that we feel are important for the future of higher education in general and black instituations of higher education in particular. Comments on some of these priorities follow.

STUDENT FINANCIAL ASSISTANCE

An increase in student financial assistance is necessary if access to higher education is to be provided for all students in America. Students from low-income families, on the whole, have very limited access to other sources of financial aid than other groups within our society.

The average black and low-income student cannot afford college fees. Therefore, fellowships, scholarships, loans, part-time employment, or other monetary relief are a must. This circumstance immediately places an additional burden on the college, as well as the student, and also limits the number of students that can be enrolled. Over two-thirds of all black students could not remain in college without substantial and sustained aid. Over three-fourths of the financial aid comes through the institution and Federal sources. Even with the large number of students now being educated by the black colleges, every year thousands are turned away because of lack of funds alone.

All funds in the respective programs should be increased to accommodate the expanded enrollments at these institutions so that no student will be turned away and turned off because of lack of the availability of financial options for the educational experience.

There is great concern about the future of student assistance programs as they affect the historically black colleges and universities. In view of the way in which the package of resources impacts, these institutions, we believe that for some time to come it will be necessary to have support from BEOG grants, SEOG grants, college work-study, direct student loans, and guaranteed student loans. The rising cost of providing education coupled with the factor of great need as represented by large numbers of students and the dependence of those institutions on funds derived from student assistance make this an imperative.

Basic educational opportunity grants must be funded at a higher level to be effective. This program presupposes that there will be other student financial aid programs to enable this concept to become one of real opportunity for all students. The up to one-half cost limitations presupposes that the other half plus would come from someplace else. Since students would only receive up to half of the cost to attend an institution it would be very necessary that they have available other types of support.

The minimum legal levels of funding in the college based programs that were set forth in the Education Amendments of 1972 will not be adequate to offset the expanded inclusion of full-time, half-time, and proprietary students in the basic educational opportunity grants program as well as allow for the full-time and half-time graduate students participating in the work study and direct student loan programs because of the lack of graduate funds.

Under full funding, a basic grant would be the basic amount for other student aid programs. Without this program at a fully funded level, the amount of other aid program support need increases in proportion to the deficit in the basic educational opportunity program.

Since the thrust of the student aid program is to serve the needy, the basic educational opportunity grants program would hopefully take care of students from low-income families. Without this thrust all need may end up being middle-income and other rather than inclusive of the lower income student.

The awards for this year were very small. In view of this fact a greater amount of the student's package had to come from other sources. Without adequate resources these students could not be properly supported. The funding of SEOG, CWS, and DSL is prerequisite to the funding of BEOG. We support this program at $1.05 billion for fiscal year 1976.

The supplemental educational opportunity grants will provide supplemental assistance to students. With the concept of need that exists, these grants will be utilized by students from all socio-economic levels.

These SEO grants will allow students to have resources to attend private institutions, minimize the debts that would be entailed in attending high cost institutions, keep the diversity of academic institutions available to students, and allow the needed flexibility in financial aid packaging.

This program will help to upgrade grant-wise the deficit in the basic EOG program and/or impact the need of other students. Half-time students are eligible for student assistance.

The supplemental educational opportunity grants were to take the student beyond the minimum basic grant and give flexibility to the packaging process. With an expanded pool of BEOG awardees and the overall crunch on financial aid, this scarce pool of resources is inadequate.

We support this program at a level of $240 million for fiscal year 1976.

The college work study program will allow students to participate in paying for their education. The college work study programs aid the students as well as the institution by providing them with a source of manpower. This program is needed to enhance the ability of institutions to package creative and resourceful work opportunities for students.

This program must consider the half-time students—both undergraduate and graduate—as well as full-time graduate students. With the cut in funds for graduate education, this program will be heavily tapped as a logical source of funds by graduate students.

With the changing of the college work study program to a concept of need, rather than priority, to low-income students, this program now is helpful, but does not have the impact that it previously had for the institutions. Without increased funding in this program, there will not be adequate resources to meet the needs of an expanded pool of students.

We support this program at a level of $420 million for fiscal year 1976.

The direct student loan program will continue to be necessary for many of our students because of the difficult time that many of them have in trying to purchase loans on the private market. These low-interest loans are made by the institutions. They must be continued because numbers of low-income students must be encouraged to continue their preparation beyond college. Many banks refuse to loan to freshmen, sophomores, and to low-income students.

The direct student loan program is protection for the availability of loans to minorities and low-income populations. This program should be supported at a very high level to enhance the packaging of student assistance.

This program also includes graduate students among its eligibles. Again, the funding crises in graduate education impact this situation.

Until the commitment to finance loans for minorities and other disadvantaged groups filters down to the lending institutions, there is going to continue to be a need for the direct student loan program. As an institutional-based program it provides a reasonable guarantee that some loan resources will be available to students.

We support this program at a level of $350 million for fiscal year 1976.

GUARANTEED STUDENT LOANS

Though loans are not the best way of financing the education of students from low-income backgrounds, it is important that in the money crunch that confronts us that every possible means should be taken to guarantee that these guaranteed student loans will be made available on equal terms to all that apply for them.

We support this program at $654 million for fiscal year 1976.

SPECIAL PROGRAMS FOR THE DISADVANTAGED

The special programs for the disadvantaged known as Upward Bound, talent search, and special student services have been very helpful to disadvantaged students in this Nation. With the increased concentration of disadvantaged persons in the large metropolitan centers of our country and the corresponding decline in the quality of education provided for these persons, there will continue to exist a need for an increase in the appropriations level of these programs.

These programs have been helpful to black and disadvantaged students and need to be continued and funded at a much higher level to provide hope out of despair for thousands of our students. The fiscal year 1976 appropriation projects these programs to service 268,000 students. Such programs will identify students and give them encouragement and information, motivate students to attend colleges, and provide special remedial and other services for enrolled college students.

In addition to these programs, the educational opportunity centers will focus on specific geographic areas with major concentrations of low-income populations.

We would encourage an appropriations level for these programs in fiscal year 1976 at $90 million.

COOPERATIVE EDUCATION

The cooperative education program enables colleges to provide programs which alternate academic study with periods of off-campus employment. These arrangements give students an opportunity to earn money, to experiment with future employment possibilities, and to try practical application of academic work which in turn enriches the subsequent study.

We support this program at a level of $11 million.

TITLE III—STRENGTHENING DEVELOPING INSTITUTIONS

The Title III program, strengthening developing institutions, has been and is one of the programs that is most responsive to the needs of historically black colleges. A primary goal of title III is to strengthen institutions in the areas of curriculum development, management capability, faculty growth, and student services.

For the past 2 fiscal years, this program has administratively been carried out through a basic program which provides grants to gradually strengthen the academic and management capabilities of participating institutions and an advanced program under which substantial grants are provided over a period of 3–5 years to the strongest of these institutions on an accelerated development schedule.

In academic year 1976–77 this program will continue to support institutions enrolling large numbers of low-income students.

Two categories of institutions have continuously been recipients of title III grants, namely, 4 year, historically black institutions, and 2-year public institutions. Historically black, developing colleges enroll a high proportion of low-income youths who are often ill prepared for the academic competition of a fully developed college. The fact that many of these youths are unable to financially afford the rising cost of a college education, suggests that certain developing colleges will continue to educate a large proportion of the low-income students now attending college. Similarly, the public 2-year colleges located in, or near metropolitan areas and in deep rural areas are enrolling increasing numbers of low-income students.

With the aid of past and current support under title III, strengthening developing institutions, the black colleges have acquired significant forward momentum in providing successful educational experiences for vast numbers of low-income students. This extra support will bring the black colleges to the major goal of title III; that is, moving these institutions into the mainstream of higher education.

Some positive aspects of this program have been as follows: The predominantly black colleges have been greatly enhanced, junior colleges have been helped, low-income students have benefited from the programs, arrangements have been established by institutions that would not have been established, curriculum offerings have been broadened, increased faculty support, professors emeriti provisions, and the TACTICS model—technical assistance to colleges to increase college services.

By developing the technical know-how to generate academic reform, improve management systems, and better recruitment and admissions procedures, these groups are successfully strengthening the black colleges. These institutions have historically fulfilled the role of providing access to equal opportunity for persons from low-income backgrounds who would, without such opportunities, have been denied the chance to become contributing tax-paying citizens of this country.

The added initiatives for the additional funds in this program have the potential for continued good within these institutions. These large grants to the institutions hopefully will help to facilitate their more rapid movement into the mainstream. These grants for change will make a difference in these institutions.

The developing institutions program has been and is one of the programs most responsive to the needs of the traditionally black colleges.

This program is worthy of funding at a level of $120 million for fiscal year 1976.

ACADEMIC FACILITIES

The fiscal year 1976 budget requests nothing at all for construction grants. The construction of academic facilities is very vital to the expansion of student enrollments at these institutions. Specialized facilities will be needed for the new demands of changing instructional methods, laboratories, experimentation, research, and expanding fields of societal interest. In other instances, there is the need to rehabilitate and convert obsolete and substandard facilities in many institutions.

We support the continuation of Federal grants and direct loans for the construction of academic facilities, as well as the program of interest subsidies on loans obtained in the private market. There are serious needs in terms of expansion and improvement of current facilities at black colleges that are best met within the context of a grants program. Black colleges and similarly situated institutions are hard put to come up with the matching funds for loans.

We would hope that substantial sums in grants funds could be appropriated to allow for the replacement of outdated facilities and for providing new facilities for the increasing college enrollment. There is the necessity of providing new funds for facility construction and renovation through a variety of viable components such as interest subsidy, grants, loans and loan guarantees that proved so effective in the early years of higher education development.

LIBRARY FUNDS

Library needs are of prime concern to black colleges. Many of these institutions have relied on donations and uneven development. Books, and other resource materials are needed by many of the institutions in order to keep abreast of the publishing explosion and for the replacement of worn and lost books.

Funds under this program will continue to be helpful to insititutions in maintaining their accreditation and keeping up with the latest volumes in the various fields. These institutions have holdings worthy of preserving and updating.

The basic grant program is helpful to these institutions in purchasing books and audiovisual materials. Many institutions also need the supplemental and special purpose grants authorized under the title III for strengthening library collections and developing modern, efficient library service.

Libraries are a very valuable and necessary resource and therefore it is essential that they receive adequate support to enable them to continue their vital role at a level of quality.

We support this program at $30 million for fiscal year 1976.

LAND GRANTS FUNDS

The fiscal year 1976 budget requests no funds for aid to land-grant colleges. It has been proposed that annual funds under the Bankhead-Jones Act and the permanent appropriation under the Second Morrill Act be terminated. The resolution of the board and general body of the National Association for Equal Opportunity in Higher Educaiton in session on March 11 and 12, 1974, expresses their sentiment in this issue.

Funds going to the land-grant colleges must not be rescinded. There are the most valuable funds the land-grant institutions receive from the Federal Government. These funds go to the general operation of the institution and are not competitive in nature. If these funds are cut off, they cannot be made up without an appropriation from the State legis'ative, increased tuition to students or the dismissing of professors and staff. None of these options appear to be viable at this time. No other program moneys can be substituted for these funds.

The Morrill Act and Bankhead-Jones legislation refers to the funds as endowment which implies a certain permanence. Permanent money cannot be replaced with temporary money without placing an undue hardship on the institution. For the 1890 colleges money from the developing institutions program (which is programmatic) cannot replace land-grant funds that cannot be used operationally. These funds are valuab'e to the 1890 land-grant institutions that have never shared equitably in the distribution of the land-grant resources.

The land-grant funds should be continued because of their impact upon the land-grant institutions.

GRADUATE FELLOWSHIPS FOR CAREERS IN POSTSECONDARY EDUCATION

We encourage a restoration and continuation of appropriations of this program. This would allow for the activating of new starts in this program. A cutback in graduate fellowships would hurt the chances of large numbers of blacks pursuing and securing the doctorate degree.

This program should be continued at a high level as any phasing out of these fellowships will encourage an irreversible gap between the availability of minority doctorates and nonminority doctorates. Contrary to present emphasis on an oversupply of dcotorates, there is no oversupply of black doctorates. If this trend is carried out there will be no approximation of parity in holders of the doctorate degree within the foreseeable future. This would indeed undercut the ambition of young doctoral hopefuls who would seek to pursue the terminal degree.

The pipeline must be enlarged and continued to include more candidated, otherwise the future academic leadership will be deprived of a mix which will be necessary in our culturally pluralistic society.

With the equal employment opportunities program and affirmative action programs seeking out substantial numbers of minorities and women, where will they be found if provisions are not made to prepare an adequate supply for the present and for the future. There is a lack of prepared minorities across the board in all areas.

We would encourage a continuation of this program at a high level with an earmarking of a percentage of these fellowships of black doctoral candidates, and a continuation of other programs that train students in midlevel graduate offerings between the bachelors and the doctorate degrees. A greater proportion of the black co'lege graduates can be encouraged to go to graduate and professional schools with the proper fellowships.

EDUCATION PROFESSIONS DEVELOPMENT PROGRAM

Education professions development program part E provides training programs for higher education personnel. Funds should be made available for new fellowships and institutes along with continuing fellowships and institutes. It is essential these types of programs be funded to enable minorities especially to have available such training.

We support this program at $5.8 million for fiscal year 1976.

STATE STUDENT INCENTIVE GRANTS

This program makes incentive grants available to the States to assist them in providing grants to eligible students in attendance at institutions of higher education.

This program should enable States to facilitate either the development of new State grants or the expansion of existing programs so as to increase the range of opportunities available to students for access to postsecondary institutions.

We support this program at $50 million.

UNIVERSITY COMMUNITY SERVICES

There is a great need for a thrust by institutions of higher education in this direction at the present time.

We support an appropriation at the level of $20 million.

VETERAN'S COST OF INSTRUCTION PAYMENTS OF INSTITUTIONS

This program should encourage institutions to deal with a much neglected segment of our society. The veteran must be provided for by the higher education community in order to help him make the transition back to civilian life through the acquisition of salable expertise for a meaningful future.

We support this program at $25 million.

INSTITUTIONAL SUPPORT (COST OF EDUCATION PAYMENTS)

This program is needed for the future of higher education. Tuition and fees account for only part of the necessary funds to run an institution. The fact that many institutions are in financial need is indicative of the necessity of some sort of support to alleviate this crisis.

Black colleges which have not received adequate support in the past would be benefited by this type of aid provided, however, that the appropriations level is adequate to allow the granting of sizable sums of money to these institutions. A too limited appropriation would negate the impact that such a program would be designed to make.

The above comments do not exhaust the magnitude of the financial needs of higher education and its various segments.

It is hoped that appropriations will be forthcoming that will allow for adequate funding of present higher education requests that have a great bearing on the future of these institutions. Let us hope that we are not in a period of pyrrhic cutbacks wherein we cut back today only to lose the soul of the institution for tomorrow.

We support this program at a level of $200 million.

In conclusion, a major need for these institutions at this junction in history is for increased support at the Federal level sufficient to overcome the years of inadequate support. The tremendous impact these schools have made, inspite of short budgets and culturally different students, is proof enough that they have been and still will be in the foreseeable future the major force for greater opportunities for black students and other students to enter all levels of American life.

Proposed Higher Education Appropriations, Fiscal Year 1976

[Dollars in thousands]

Program	*NAFEO support request*
Student assistance:	
Basic educational opportunity grants	$1,050,000
Supplemental education opportunity grants	240,000
College work study	420,000
Direct student loans	350,000
Guaranteed student loans	654,000
Cooperative education	11,000
State student incentive grants	50,000
Special programs for the disadvantaged	90,000
Talent search.	
Upward bound.	
Special services.	
Educational opportunity centers.	
Developing Institutions	120,000
Institutional assistance (cost of education payments)	200,000
Academic facilities	50,000
College libraries	30,000
Community service	25,000
Language and area studies	15,000
Bankhead-Jones and land-grant funds	12,500
Annual appropriation $10,000.	
Permanent Appropriation $2,700.	
Strengthening graduate programs	30,000
EPDA V, part E training program for higher education personnel	5,800
Fellowships for disadvantaged	750
Ellender fellowships	500
Veterans cost of instructions	2,500

STATEMENT SUMMARY

Mr. **Fisher**. I am Miles Fisher IV, executive secretary of the National Association for Equal Opportunity in Higher Education.

I wish to thank you on behalf of the association for the opportunity to present testimony before this subcommittee as well as your past responsiveness to our concerns.

In view of the time limitations, I will summarize briefly for you our major concerns and request that our full statement be inserted in the record.

BLACK COLLEGES AND UNIVERSITIES

The National Association for Equal Opportunity in Higher Education represents the historically black colleges and universities of our Nation. There are 107 institutions located in 15 Southern States, 4 Northern States, and the District of Columbia, enrolling more than 200,000 students. These schools graduate more than 30,000 students annually with baccalaureate, graduate, and professional degrees.

The historically black colleges represent an existing mechanism that can be improved and used to intensify the positive efforts to equalize opportunity. Unless there is a genuine commitment to eliminate anything adversely affecting the performance of the historically black colleges, enrollment and graduates will decline, thus prolonging the inequities of this society.

Federal support is vital to the future of these institutions. These institutions continue to need financial support for students, faculty, staff, facilities, equipment, and general institutional support. The Federal Government must continue to provide increased support for these institutions. It will take a continuing effort by the public sector to fulfill a true commitment to equal educational opportunity in higher education.

Some of our priorities are as follows. These are by no means exhaustive but additional concerns might be found in the full statement.

Our association in its programmatic efforts for 1975 considers student financial assistance as one of the top priorities.

The average black and low-income student cannot afford college fees. The ACE/UCLA survey on estimated parental income for fall, 1974, which is attachment A, indicates that 24 percent of all students in institutions of higher education come from families with less than $10,000 income whereas in the predominantly black colleges, 68 percent of the students come from families with less than $10,000 income.

Census figures on the distribution of families by income in 1973, which is attachment B, show that 36 percent of the white families and 65 percent of the black families were in the income range below $10,000.

Over two-thirds of all black students could not remain in college without substantial and sustained aid. Therefore, fellowships, scholarships, grants, loans, part-time employment, or other monetary relief are a must. Over three-fourths of the financial aid comes through the institution and Federal sources. This circumstance immediately places an additional burden on the college, as well as the student and also limits the number of students that can be enrolled. Every year thousands of students are turned away because of lack of funds alone.

There is, therefore, great concern about the future of student assistance programs as they affect the historically black colleges and universities. As shown in attachment C, the funding levels of campus-based programs at these institutions have significantly and alarmingly declined over the past 3 years, in spite of the fact that their full funding requirements have never been met.

Attachment D shows the allocations received by these institutions for academic year 1973–74 and the additional funds required in order to meet the real needs of those enrolled and those requesting aid. It is to be noted that an amount of approximately $277,974,292 would have been required for 1973–74 to meet these minimum needs.

In view of the way in which the packaging of resources impacts these institutions, we believe that for some time to come it will be necessary to have support from BEOG grants, SEOG grants, college work study, direct student loans, and guaranteed student loans. The rising cost of providing education coupled with the factor of a great need as represented by large numbers of students and the dependence of these institutions on funds derived from student assistance makes this an imperative.

All funds in the respective programs should be increased to accommodate the expanded enrollments at these institutions so that no student will be turned away and turned off because of the lack of the availability of financial options for the educational experience.

We support the following levels of funding for the student assistance programs—and I will not take the time to read these, but I would like to just bring them to your attention and say that adequate support of student assistance programs will provide real opportunity for all students.

I move on to title III program which is strengthening developing institutions. The title III program has been and is one of the programs that is most responsive to the needs of historically black colleges. A primary goal of title III is to strengthen institutions in the areas of curriculum development, management capability, faculty growth, and student services.

For the past 2 fiscal years, this program has administratively been carried out through a basic program which provides grants to gradually strengthen the academic and management capabilities of participating institutions and an advanced program under which substantial grants are provided over a period of 3 to 5 years to the strongest of these institutions on an accelerated development schedule.

In academic year 1976–77, this program will continue to support institutions enrolling large numbers of low-income students.

Two categories of institutions have continuously been recipients of title III grants—namely, 4-year, historically black institutions and similarly situated institutions, and 2-year public institutions.

Historically black developing colleges enroll a high proportion of low-income youths who are often ill prepared for the academic competition of a fully developed college. The fact that many of these youths are unable to financially afford the rising cost of a college education suggests that certain developing colleges will continue to educate a large proportion of the low-income students now attending colleges.

Similarly, the public 2-year colleges located in or near metropolitan areas and in deep rural areas are enrolling increasing numbers of low-income students.

With the aid of past and current support under title III, strengthening developing institutions, the black colleges have acquired significant forward momentum in providing successful educational experiences for vast numbers of low-income students. This extra support will bring the black colleges to the major goal of title III, that is, moving these institutions into the mainstream of higher education.

Some positive aspects of this program have been as follows: the predominantly black colleges have been greatly enhanced, junior colleges have been helped, low-income students have benefited from the programs, arrangements have been established by institutions that would not have been possible otherwise, constructive and innovative programs have been established, curriculum offerings have been broadened, increased faculty support and professor emeriti provisions.

The added initiatives for the additional funds in this program have the potential for continued good within these institutions. These large grants to the institutions hopefully will help to facilitate their more rapid movement into the mainstream. These grants for change will make a difference in these institutions.

The developing institutions program has been and is one of the programs most responsive to the needs of the traditionally black colleges. We request your support of this program at a level of $120 million for fiscal year 1976.

This program is worthy of funding at a level of—at that level.

Senator Montoya. We have a vote on the floor. We will suspend for a few minutes, and I will be right back.

We will stand in recess until I return.

[A brief recess was taken.]

Senator Montoya. The meeting will be in order.

You may proceed, Dr. Fisher.

Mr. Fisher. Other priorities are academic facilities, library funds, land-grant funds, graduate fellowships for careers in postsecondary education, education professions development program, university community services, institutional support in the form of cost of education payments.

These priorities represent points of emphasis for future directions. The viability of these institutions will in part be determined by the response to these requests.

Senator Montoya. Of course, we are having quite a bit of austerity in education downtown, and we will try to do what is best for education through this committee. I am sure the House will meet us part of the way, so thank you very much, Mr. Fisher.

Mr. Fisher. Thank you, sir.

NATIONAL ASSOCIATION OF SCHOOLS AND PUBLIC AFFAIRS AND ADMINISTRATION

STATEMENT OF MORRIS W. H. COLLINS, JR., NATIONAL ASSOCIATION OF SCHOOLS OF PUBLIC AFFAIRS AND ADMINISTRATION

ACCOMPANIED BY DON M. BLANDON, STAFF DIRECTOR, WASHINGTON OFFICE, NATIONAL ASSOCIATION OF SCHOOLS OF PUBLIC AFFAIRS AND ADMINISTRATION

PREPARED STATEMENT

Senator MONTOYA. Mr. Morris Collins, schools of public affairs and administration.

Your statement will be made a part of the record.

You are speaking on behalf of Thomas B. Murphy, immediate past president and Alan K. Campbell, president, National Association of Schools of Public Affairs and Administration.

Mr. COLLINS. Yes, sir.

I have with me too, Mr. Don M. Blandon, who is staff director in our Washington office of the association.

[The statement follows:]

Mr. Chairman and members of the subcommittee, thank you for inviting the National Association of Schools of Public Affairs and Administration (NASPAA) to appear before you to share our views concerning the public service education portions of title IX of the Higher Education Act. I am Thomas P. Murphy, president of NASPAA and executive director of the Institute of Urban Studies, University of Maryland. With me today are Morris W. H. Collins, Jr., chairman of our NASPAA Governmental Relations Committee and dean, College of Public Affairs, the American University, and Don M. Blandin, our NASPAA staff director in our Washington, D.C., office.

The National Association of Schools of Public Affairs and Administration, with a membership of more than 150 colleges and universities, urges this subcommittee to continue its support of better public management for all the governments of this Nation by increasing the appropriation for title IX, parts A and C of the Higher Education Act for fiscal year 1975-76. We are a professional education association dedicated to the advancement of education and training in public affairs and public administration. The association forsters goals and standards of excellence in education for the public service and cooperates with governmental organizations, professional associations, and national public interest groups to improve the quality of public management.

This statement is an earnest effort by those involved in preparing men and women for managerial positions in local, State, and national governments to apprise the Congress of the critical need for upgrading and expanding public administration education in this Nation.

CRITICAL NEEDS IN PUBLIC MANAGEMENT

Government on all levels throughout the United States desperately need administrators who are properly trained in public management. The growing economic adversity, the increased pressures on governments to do more with less, the demands for better utilization of natural resources, and the growing insistence of citizens for greater participation and a much higher degree of accountability (moral and otherwise)—all of these forces accentuate the need for better managers throughout our Nation's entire governmental structure. To fail to meet these needs will be to invite disaster.

The Congress, recognizing these acute needs for managerial talent, appropriated just a few weeks ago the modest sum of $4 million to initiate the public service education program. With this $4 million, a start will be made toward supplying all governments, but particularly State and local units, with the kinds of managerial talent required to effectuate essential public programs.

WIDESPREAD SUPPORT BY PUBLIC OFFICIALS

There is widespread support for the public service education program by public officials throughout the Nation and by their associations. These officials and their associations presented to the Congress their assessment of the critical needs for properly educated managerial and leadership talent in their local and State governments. Mayors, county commissioners, city managers, State officials, and the associations representing these officials all have expressed strong support for funding this program as a means of relieving the present shortage of competent administrators.

It should be noted that the following organizations have been involved through the years to support of the authorization of this funding and of the funding itself: the American Public Works Association; the American Society for Public Administration; the Council of State Governments; the International City Management Association; the International Personnel Management Association; the National Academy of Public Administration; the National Association of Counties; the National Conference of State Legislatures; the National Governors Conference; the National League of Cities; the National Municipal League; and the U.S. Conference of Mayors.

NEED FOR INCREASED APPROPRIATIONS

Actually, it was the strong belief of these public officials and of their organizations that a sum considerably greater than the $4 million appropriated for the current fiscal year would be required to mount the kind of public service education program needed to alleviate their management and leadership shortage. The leadership of this subcommittee and other congressional leaders had also proposed initially a higher level of funding—something on the order of the $10 million being proposed here for the second year.

There was understanding by public officials supporting the large appropriation, however, that the Congress was operating under severe fiscal restraints; accordingly, there was acceptance of the very modest initial appropriation. These public officials believed that the value of this program, even on a small scale, would quickly prove itself and lead to more adequate funding in the future. That future is upon us. Now is the time to commit additional funds to the public service education program.

Because the appropriation for the current fiscal year was enacted only recently, the program has not yet gotten underway. As yet we do not have any success stories to tell; however, it is the belief of the National Association of Schools of Public Affairs and Administration and of the State and local public officials and their associations supporting this program that the small amount appropriated this year should be increased next year so that the program can be funded at a level which will have a national impact on the quality of public management.

Our association, therefore, urges this subcommittee to appropriate $10 million for the public service education program for fiscal 1975–76, with $6 million earmarked for grants to strengthen existing university educational programs in public management and to establish new ones, and $4 million earmarked for fellowships to encourage students to pursue an education designed to prepare them for managerial careers in Government.

INSTITUTIONAL GRANTS FOR QUALITY EDUCATION

Currently, over 150 universities offer programs to educate students for general managerial positions in local, State and National Government. The $2.3 million appropriation for the current fiscal year will support grants to only 23 of these institutions. This leaves over 125 programs, many of them small and of marginal quality, unfunded. The increased appropriation would allow approximately 60 more universities to upgrade their programs or to establish new ones.

Governments in some areas of the Nation do benefit from strong public service education programs offered in nearby universities. What is needed is far more strength in all sections of the United States to meet State and local needs where they actually exist. Universities provide talent for regional job markets. Graduates tend to find positions in the States and region where they attend college. We must have strong public management education programs in every section of this Nation to serve all States and localities. Additionally, State and local governments increasingly look to universities for technical assistance when they encounter management problems. Strengthened programs are required to provide such assistance.

Vast new responsibilities are being thrust upon State and local governments. They lack the managerial and administrative capabilities to fulfill these responsibilities. They desperately need trained managers; but the universities, due to the lack of financial resources, are not able to launch the kind of public service education programs which would produce the kinds of managers these governments require.

Universities cannot meet the demand for top-quality managers by themselves. Inflation, escalating fuel costs, and student-parent resistance to tuition increases, due in part to depressed economic conditions, have placed the universities of the Nation under severe financial duress. To shift and reallocate resources within a university is a terribly difficult matter under any circumstances; at a time of severe fiscal stress, it is virtually impossible. Monetary reductions, savings, and increased revenue realized through some academic programs must go toward making up deficits, not toward financing new programs or strengthening weak ones, no matter how great the student needs or public demands.

It is most unfortunate that this financial crunch is occurring at the very time when there is such a critical need for strengthening public service education. In any event, it is rather clear that universities will not be able to strengthen weak programs or establish new ones to train management personnel for the public service unless there is a stimulus from the outside.

MORE FELLOWSHIPS TO ATTRACT THE BEST TO PUBLIC MANAGEMENT

Students are also hard-pressed for money. Graduate education is expensive, and many highly intelligent men and women with the leadership and managerial potential needed in the public service cannot afford to go to graduate school without financial assistance. The $4 million being sought for fellowships in the public service education program would enable approximately 600 students to prepare for a public service career.

Actually, this expenditure for fellowships should be looked upon as an investment by the Government to satisfy the management needs of Government, not the needs of students.

There is a wide variety of fellowship programs in many different occupational fields within the public service, each designed to draw students into a particular specialized field of governmental service. How strange it is that education in all kinds of functional governmental areas should have been funded while leaving the most important area of all, general management, in such a disadvantageous position without fellowship funding. Current economic conditions make it rather certain that students will choose education in those areas which are financed rather than go into the public service education programs if they are not funded.

It is not enough to rely on broad and generalized kinds of fellowships for the public service. The Harry S Truman Memorial Scholarship Act, providing for Truman scholarships, is an example of this kind of program. These proposed scholarships are indeed a worthy tribute to one of America's greatest leaders. They are designed, however, to attract a limited number of persons (probably not more than two from each State, undergraduates as well as graduates) into a broad and generalized career in public service.

This Truman Scholarship Act will in no sense meet the needs designed to be met by title IX of the Higher Education Act. The great need in the public service, as iterated over and over in this statement, is for managerial talent, persons specifically and explicitly trained to be managers in Government. This is the narrow and critical need in governments at all levels in this Nation today.

The public service education provisions of title IX are designed to supply this very need. To compete, to attract the best young people into these programs will require the continued funding of the fellowship proposed in title IX. A substantial increase in the number funded is required to meet the increasingly acute shortages, particularly in State and local governments.

The financial status of students (and of their families) is such that most of them will have to choose educational programs where fellowship funding is available. It would be a tragic mistake to restrict careers in public service management to those who can afford it. We must have in key managerial positions of the public service a broad spectrum of the American populace. The last thing we need in this Nation is an elitist managerial class in Government. We must make fellowship funding available so as to attract students from all socioeconomic strata.

CONCLUSION

We should like to stress, in conclusion, the urgency of the need of governments on all levels for properly educated management talent, the need to strengthen university programs designed to educate persons specifically for managerial and leadership positions in the public service. We, the member institutions of the professional association of programs of public affairs and public administration, ask only the opportunity to demonstrate what can be done with the sums appropriated under title IX, parts A and C to strengthen our educational programs and provide the fellowships to induce more of our most talented youth to cast their lot in public service careers.

This is a program for the future of our Nation, a step toward the kind of government we all want. What we are asking is a partnership, a joining together for better administration on all levels of government through the funding of this appropriation for public service education.

INTEREST IN BETTER PUBLIC MANAGEMENT

Mr. COLLINS. Mr. Chairman, I represent the National Association of Schools of Public Affairs and Administration which has a membership of some 150 colleges and universities throughout the Nation which have programs of public affairs and administration. This includes not only public administration per se, but programs in urban affairs, joint programs with schools of business administration, and the public sphere, and criminal justice, and various other related public affairs-public management programs.

Senator, we represent far more than just the schools of public affairs administration. We represent the thousands of local and State government officials throughout this Nation who are vitally interested in better public management for the governments of this Nation.

This committee has heard of course from the major associations, the schools of public affairs and administration, which are backing very strongly the enactment of this public service education program. As you know, we in the schools of public administration affairs are working increasingly closely with public officials on the State and local level particularly to gear our public service education to meet the actual needs of our State and local as well as our Federal Government.

We have just received a grant from the Department of Housing and Urban Development which will enable us working with international city management associations to make certain that the kinds of person we are turning out from our schools of public affairs and administration are indeed the kinds of people needed to man the public management positions of this Nation.

Senator, I am sure I need not tell you of the increasing acuteness and shortage of public management personnel. The people of this country have expressed over and over their desire for better government, and the key to better government of course is better management, so we are enthusiastic over working with these local officials, involving them in our recently adopted statement of national association guidelines and standards. We have established as a standard for our schools that they shall involve extensively State and local government officials, as well as Federal, in their school programs, both in teaching capacities, but more importantly in market service in determining that our curriculums our and programs are actually geared to turn out the kind of management personnel needed in this Nation today on all levels, but needed particularly at the State and local levels where we are thrusting increased responsibilities on State and local government officials and not giving them the kind of management personnel they need.

And of course this program is geared to do just that. We are very appreciative of the fact that Congress did see fit last year to appropriate for the first time the modest amount of $4 million for this program of public service education.

I would call your attention, though, Senator, that this will fund only a small part of the needs in this area. This subcommittee itself, as well as on the House side, initially proposed a great deal more, of course, for this program. We were very thankful to get this nominal first sum, but I point out that this will fund only some 40-odd institutional grants which the Office of Education is thinking it should average this year only about $50,000.

I need not tell you, you need only to go so far in strengthening programs or creating new ones with a mere $50,000, and 40 of course do not begin to meet the needs of the some 160-odd programs in the country. I would point out also that one-fourth of the States of the Nation do not even have public service education programs yet, and of course we know that graduates tend to stay where they go to school, where they take their graduate work, so we would, plead, Mr. Chairman, that this is just a drop in the bucket.

I am sure you recognize that. As to the fellowship side, where we got only $1.7 million, this will fund only some 250 to 260 fellowships in a whole nation. What we are asking for then, Mr. Chairman, is a modest increase so that we can have an impact so that we can begin to meet this national need for managerial talent.

We are asking this year for $10 million, $6 million for institutional grants and $4 million for fellowships. To summarize quickly as to the institutional grants, $6 million which will enable us to start strengthening these weak programs.

Senator, I will point out what you know, that public affairs administration programs have never been funded very well in the colleges of this Nation. One reason, we are sure, is that we have never had an organized clientele, a group to push for these kinds of programs. Our public officials have been, up until recently, very reluctant to put pressure on their State colleges and the private institutions to fund these programs, so that in only a few places, Ivy League schools and others, have we seen programs adequately funded. We have gone beyond the point where we can afford this, and the fact that our State and local government officials are going all out to back these programs and begin to put pressure on the institutions to offer programs of public service education, public management, I think attests to the fact that we are finally beginning to get there.

But unfortunately, just as we get there, what is the situation in the colleges? I need not tell you it is a situation of financial stringency. To talk about reallocating the resources of the colleges today to strengthen or fund new programs in public management is utter nonsense, as those in college finance know. My gosh, if we can save anything, we have to put it to deficits which are mounting, and we certainly cannot put it into new programs or strengthening old ones.

Mr. Chairman, we are caught. Just at a time when we are getting a kind of awareness of the public needs of what management needs are, we cannot get the money from the colleges to do anything about it.

Senator Montoya. With respect to public service fellowships for this year, we appropriated $4 million.

Mr. Collins. But only $1.7 million of that for fellowships, so that $1.47 on an average the Office of Education estimates $6,500—$3,000 for the tuition institution, and $3,000 for the student, $500 average for a dependent—$6,500 average will finance 250 to 260 fellowships nationwide. That is all it will fund.

What we are asking for, sir, is funding of $4 million for next year to fund about 600, which I think you will agree is a little enough when you figure on any kind of average basis per State or throughout the Nation.

Senator MONTOYA. Well, according to the table here in the category of public service fellowships, it is indicated that $4 million was appropriated.

Mr. COLLINS. No, sir, last year it was $4 million for both. It was $2.3 million for institutional grants under part A of title IX, and $1.7 million under part C for fellowships.

Senator MONTOYA. The table was wrong then.

Mr. COLLINS. Yes, sir, I am afraid it is. I wish we had the $4 million for fellowships.

ELLENDER FELLOWSHIPS

Senator MONTOYA. Then we have Ellender fellowships, $500,000.

Mr. COLLINS. Yes, sir, which are wholly different. I would like to speak to these. Having known Senator Ellender, and speak also about the Harry S. Truman proposed fellowships, the only President I ever ate breakfast with, the two men I admire tremendously. We all do.

These fellowships perform a great function, I am sure, in meeting general public service needs, exciting young people to go into government, but Senator they do not meet the critical needs that these public service education fellowships are designed to meet, and that is the need for managerial talent in our governments, but particularly our State and local governments.

These are general fellowships and scholarships. I say I applaud them. I certainly do not mean to denigrate them in any way, but I am pushing, Senator for what the needs of this Government are, and we all know then, and that is for managerial personnel, and that is what these public service fellowships are all about.

To wind up quickly, it is a strange thing really that we in government—and I speak having been in and out of government and education—have never really taken care of ourselves. We have funded fellowships for almost everything else under the sun, including all kinds of specialized governmental functions, and we have never funded general management fellowships.

Senator, that is just what was done, of course, under this act last year in a miniscule sort of way, and I am not knocking that. I am glad—we are glad to get a foot in the door when we funded these 250 or 260 fellowships. Our plea today, sir, is if we just get a small increase in that so that we can move up to at least 600 next year to begin to meet these needs, and I need not tell you if we do not fund these fellowships, we are not going to draw students into the general management of this Nation's State, local, and Federal government, and I would plead that we draw some of the best people of this Nation into these positions.

If we do not draw some of our best talent and increasingly good talent into these managerial positions in government, we are not going to have the kind of government that we ought to have in this Nation.

It is a critical need, although the Nation—we know how disillusioned so many citizens are with government, Senator. I would make the plea that good management will bring us more effective government, and that this is a program that we very much can support in the interest of this Nation.

Thank you very much, sir.

Senator MONTOYA. Thank you very much, Mr. Collins.

NATIONAL STUDENT LOBBY

STATEMENT OF JAY F. HENDERSON, LEGISLATIVE DIRECTOR, NATIONAL STUDENT LOBBY

PREPARED STATEMENT

Senator MONTOYA. Mr. Jay Henderson, national student lobby.

Your statement will be made part of the record. If it is all right with you, you may proceed to summarize it, sir.

[The statement follows:]

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to give you the student's view of federal postsecondary student aid in fiscal year 1976 appropriations and in fiscal year 1975 supplemental appropriations.

At the outset, I would like to say the National Student Lobby recommends a total of $2.743 billion be appropriated for the six major student assistance programs provided for in the Higher Education Amendments of 1972.

A budget comparison follows:

[In millions of dollars; fiscal years]

Program	1975 estimate	1975 actual [1]	1976 recommend	Change
BEOG	660	795	1,050	+255
SEOG	240	240	240	0
SSIG	20	20	50	+30
C W/S	300	420	420	0
NDSL	329	329	329	0
GSL	584	584	654	+70
Total	2,133	2,388	2,743	+355

[1] Includes $135,000,000 carryover for BEOG's and $120 supplemental for work-study.

Mr. Chairman, I have four brief points to make in behalf of funding a balanced student assistance program, including grant aid, work aid and loan aid.

We recommend:

1. The Basic Educational Opportunity Grants program should be funded for FY 1976 (to be spent in academic year 1976–77) at least at a level of $1.05 billion to allow for costs of grants to the senior class and part-time students for the first time. This amount is only $255 million above the FY 1975 amount if the recommended carryover of $135 million takes place. What we request is funding for programs which all admit are non-inflationary in their impact, as noted at the Conference on Inflation, and which need funding to keep pace with past inflation which has begun to be passed on to students in the form of seven to ten per cent tuition increases per year.

2. The carryover of $135 million is crucial for students and should be conditioned on raising the maximum grant to $1,400 with the expectation that the Office of Education engage in an aggressive campaign (in cooperation with state scholarship programs, institutions, students and financial aid services community groups) to deliver financial aid forms and information directly into students' hands. To not allow the carryover would permit the Office of Education's miscalculations to be turned into a de facto "impoundment" of funds which students would never see, either this year or next.

3. The College Work Study program should be continued at the same $420 million level for FY 1976 as in the Emergency Employment Bill of 1975. This is important to provide almost 800,000 jobs for students, who in time of 8.7 per cent unemployment would otherwise be competing with heads-of-households for the other scarce jobs.

4. Students can help cut the costs of Guaranteed Student Loan defaults by working with the authorizing committees, and with the Office of Education by providing hardship deferments for students (rather than defaults) and for better understanding by students of their rights and obligations.

Mr. Chairman, these four points constitute the core of my testimony today. But before I finish, I would like to amplify one point about the BEOG program and the mystery of the $135 million carryover.

Of course, we students are aware of the many criticisms of the program because of its underutilization. But failure to substantially increase appropriations for BEOGs will affect students more adversely than anyone else, yet the underutilization of the BEOG program is not the students' fault.

We appreciate the efforts of this Subcommittee to secure written guarantees that, if the carryover is allowed, the BEOG program will provide a high grant of $1,400 in order to ensure that funds to be carried over to FY 1975 in supplemental appropriations will actually be spent. Thus we will not be in the same position next year of having to sanction an indirect form of impoundment.

Many explanations for the $135 million mystery have come forward in recent weeks. Students, for example, have not been applying and enrolling in sufficient numbers to exhaust the grant money—yet in Minnesota, 30,000 students have applied for State scholarship grants compared with 12,000 a year ago. According to an article from the Chronicle of Higher Education, April 7, 1975, one reason for this increase is that application forms were mailed directly to high school seniors this year for the first time. Has the Office of Education ever done any anything of an equivalent nature to push the BEOG program?

Additionally, the U.S. Army recently announced a new student assistance program, called "Project Ahead." The project lets an individual active duty serviceman go to college during his off-duty hours, the tuition for which will be paid for almost entirely by the Army. Advertisements for this program have appeared in a number of major national magazines, often on elaborate two-page spreads. One example, which appeared in Parade magazine, cost $214,000 to print. The budget for publicizing Project Ahead is $2.7 million. The entire advertising and information distribution to financial administrators budget for the BEOG program is less than $1 million annually.

The National Student Lobby believes there is a definite and demonstrable need for an intense, localized media and advertising campaign to publicize BEOGs. What is needed is an expansion of the number of community organizations and agencies involved in providing BEOG information, a broader media and advertising campaign to explain BEOGs and an increase in the awareness of high school students to the existence of the program, especially in areas of high BEOG eligibility. These steps would stimulate application for BEOGs.

—an applicant should be allowed to demonstrate through BEOG supplemental forms that a person's year tax dependency status has changed,

—the time lag of six weeks which it now takes to process a BEOG application should be shortened to two,

—the advertising budget for BEOGs should be doubled until appropriations for the program are no longer underutilized,

Mr. Chairman, all of these suggestions should be implemented vigorously before an increase in funding of BEOGs is rejected by the members of this Subcommittee.

None of them has.

We urge the Congress to place full-funding of Basic Grants high on the list of priorities for the future of higher education and look forward to an appropriation increase sufficiently large to take the final step toward that goal in FY 1976.

Mr. Chairman, that concludes my statement for today. Thank you again for the opportunity to testify. I will be pleased to answer any questions you may have.

THE CHRONICLE OF HIGHER EDUCATION

STATE-AID APPLICANTS UP 150 PERCENT IN MINNESOTA

ST. PAUL.—About 30,000 Minnesota students have applied for state scholarship and grant awards, compared with 12,000 a year ago.

The Minnesota Higher Education Coordinating Commission suggests that one reason for the increase is that application forms were mailed directly to high school seniors this year for the first time.

Gov. Wendell R. Anderson has recommended that the legislature appropriate $21.5-million for scholarships and grants for 1975–77, an increase of 53 per cent over the appropriations for 1973–75. The scholarships and grants are for Minnesota residents attending either public or private colleges in the state.

RECOMMEND $2.743 BILLION APPROPRIATION

Mr. Henderson. Mr. Chairman, at the outset I would like to say, the National Student Lobby recommends a total of $2.743 billion to be appropriated for the six major student assistance programs. I have four brief points to make today on behalf of funding a balanced student assistance program, which includes grant aid, work aid, and loan aid.

We recommend the basic education opportunity grants program should be funded at least to the level of $1.05 billion to allow for costs of grants to the senior class and part-time students for the first time. This amount is only $255 million above the fiscal 1975 amount, if the recommended carryover of $135 million takes place.

Senator Montoya. Do you think that this program is reaching the needy students only?

Mr. Henderson. Yes, sir. The basic education opportunity grants of course, are aimed for the students from low-income families. The supplemental education opportunity grants also serve the same group of students.

The second point I have today is that the carryover $135 million is crucial for students and should be conditioned on raising the maximum grant to $1,400, with the expectation that the Office of Education engages in an aggressive campaign to deliver financial aid forms and information directly into the student's hands. To not allow the carryover would be to permit the Office of Education's miscalculations to be turned into a de facto impoundment of funds which students would never see either this near or next.

Senator Montoya. Let me ask you this question: Some States have provisions in their constitutions against gifts from the State to any individual. Now, even if States should enact programs to give certain moneys to students, such as is being done under the grant programs of the Federal Government basic funding programs.

Have you encountered any situation where the States are prohibited specifically from making these grants?

Mr. Henderson. No, sir, I have not. My experience has all been to the contrary. The SSIG program is a perfect example. The amount of money the Federal Government has been putting into SSIG, as I understand it, is far less than the amount the States would be willing to put up in matching funds, if only Federal funds were more available.

Mr third point is that the college work study program should be continued at the same $420 million level for fiscal year 1976 as in the emergency employment bill of 1975. This is important because it would provide almost 800,000 jobs for students, who in a time of 8.7 percent unemployment would otherwise be competing with heads of households for these jobs.

Fourth, I would like to say students can help start cutting the costs of the guaranteed student loan defaults by working with the authorizing committees and with the Office of Education in providing for hardship deferments for—rather than for defaults and for better understanding by students of their rights and obligations.

Mr. Chairman, these four points constitute my testimony today, but before I finish I would like to amplify one point about the BEOG program and the mystery of the $135 million carryover.

Of course, we are very aware of the many criticisms this program is under because of its underutilization, but failure to substantially increase appropriations for BEOG's will affect students more adversely than anyone else, yet the underutilization of the BEOG program is not the students' fault.

Many explanations for the $135 million mystery have come forward in recent weeks. Students, for example, have not been applying and enrolling in sufficient numbers to exhaust the grant money, they say, yet in Minnesota 30,000 students have applied for State scholarship grants compared with only 12,000 a year ago. According to an article from the "Chronicle of Higher Education" which is on page 5 of my statement today, the reason for this is that the application forms this year for the first time were mailed directly into the high school seniors' hands. Has the Office of Education ever done anything like this to promote the BEOG program?

Another example: the U.S. Army recently announced a new student assistance program call Project Ahead, which lets an individual active duty serviceman go to college during his off-duty hours, the tuition for which will be paid for almost entirely for the Army. Advertisements for this program have appeared in a number of major national magazines and newspapers, often on elaborate two-page spreads.

One example, a copy of which can be found on page 6 of this statement, appeared in Parade magazine. When this ad appeared in Parade magazine, it cost $214,000 to print. The budget for publicizing Project Ahead is $2.7 million, yet the entire advertising and information distribution to financial administrators budget for the BEOG program is less than $1 million annually.

We urge this committee to place full funding of basic grants high on the list of priorities for the future of higher education, and we look forward to an appropriation increase sufficiently large to take the final step toward that goal in fiscal year 1976.

That concludes my statement for today, Mr. Chairman. Thank you very much.

Senator MONTOYA. Thank you. I appreciate your testimony. We have tried to be very sympathetic in this committee with the student grant and loan programs, as you have probably observed. We have always increased the appropriation beyond the budget requests. We ought to do again this year. We have been doing it for quite a few years.

Mr. HENDERSON. I hope so too.

Senator MONTOYA. Thank you.

We have another vote up on the floor, and I will go up and come right down, so we will stand in recess for 3 or 4 minutes.

[A brief recess was taken.]

NATIONAL INSTITUTE OF EDUCATION

STATEMENT OF DR. JOHN E. CORBALLY, CHAIRMAN, NATIONAL COUNCIL ON EDUCATIONAL RESEARH

PREPARED STATEMENT

Senator MONTOYA. The subcommittee will be in order.

The next witness will be Dr. John Corbally, National Institute of Education.

Is that the right way to pronounce it?

Mr. CORBALLY. You did that exactly right.

Senator MONTOYA. We will insert your prepared statement in the record at this point.

[The statement follows:]

Thank you Mr. Chairman and members of the subcommittee for allowing me to meet with you today. You have heard testimony on behalf of the National Institute of Education from Acting Director Emerson Elliott, from NIE staff and from one of my colleagues on the National Council on Educational Research, Ralph Besse. As chairman of that Council I welcome this opportunity to reaffirm the Council's support of the $80 million budget request for fiscal year 1976.

At the start, let me say in all candor that I am well aware of the concerns expressed in the past by Congress—and especially this Subcommittee—about the programs and performance of the Institute. I have quite frankly, shared many of the same doubts myself during the nearly two years that I have been associated with NIE as a member of its policy-setting Council. I am pleased now to report to you as an independent observer who has had a special opportunity to explore the inner-workings of NIE, that the valid questions that have been raised in the past have had the desired effect. In fact, I only accepted the President's designation of me as chairman of the Council after carefully examining the "state" of the Institute as reflected in this FY '76 budget request now before you and concluding that it does respond to the issues that have been raised in the past.

I can tell you today that:

1. The priorities and programs of the Institute for FY 1976 have genuine grassroots support. They are the direct result of extensive discussions over many months with many important elements of the education community to develop a focused, understandable research agenda that makes good sense for American education. This agenda is in accord with the priorities for NIE identified by both the authorizing and Appropriations Committee of the Congress.

2. The internal management of the Institute has been greatly strengthened and has pulled together during the past six months to assure that every dollar spent by the Federal Government to help find solutions to the problems of American education is money well spent.

I believe the Institute's budget request of $80 million represents a realistic approach to helping students, teachers, administrators and others directly concerned with education find answers to the complex problems they face. The needs are there and the opportunities for effective application of research and development are also present. I must add that it is important to the effectiveness of these efforts that the most capable performers be supported, and that this be done primarily through open competitive selection processes.

Finally, Mr. Chairman, I am particularly pleased to report to you today that the President has now nominated a new permanent Director for NIE—Dr. Harold Hodgkinson of California. While many of us believe that such an announcement is long overdue, I think the fact that this nomination is now before the Congress serves to reinforce my point that NIE today is in a strong position to help improve American education.

$80 MILLION BUDGET SUPPORTED

Mr. Corbally. Senator, I am very glad to be here. I am the chairman of the National Council and was unable to be here when my colleagues appeared before this subcommittee earlier. I simply welcome this opportunity to reaffirm the entire Council's support of the $80 million budget request for NIE for fiscal year 1976.

There have been a number of expressions from the Congress of concern about the National Institute, and I would want to indicate that I and other members of the Council have indeed entertained some of these same doubts ourselves during the 2 years that we have been associated with NIE as members of the Council.

I can report to you, and I am pleased to report to you that as one independent observer, I have the feeling that the valid questions that have been raised have led to some responses which are leading toward the improvement of NIE. I think that our priorities and programs are being designed on the basis of what the practitioners in the field feel are the real problems. We believe that the internal management of NIE has also been greatly strengthened.

So, we simply believe that our $80 million budget request is a realistic approach to helping the students, teachers, administrators, and others directly concerned with education, and we urge our support.

I might just conclude this summary by saying that we are delighted to be able to report that no only does the Council now have a properly designated chairman, but that on Saturday it was announced that the President is sending to the Senate the nomination for the Director of NIE. So, we are helpful that in the very near future we will have all of our Government personnel in place.

Senator Montoya. How many years have you been operating.

Mr. Corbally. The NIE has been operating 3 years; the Council, almost 2 now.

Senator Montoya. Have you had a research and development program for those years?

Mr. Corbally. Yes. The Council, the National Institute had a number of programs transferred to it from the Office of Education and from other agencies when it started. We have had, really for the last year, what I would define as a program which the Council has had an opportunity to help direct.

Senator Montoya. Have you filed any reports?

Mr. Corbally. We filed our first annual report 1 year late, and our second annual report is on its way to being filed right now, with the President.

Senator Montoya. What did those reports indicate?

Mr. Corbally. The first report is to some extent a recitation of problems and a recitation of the steps that we were taking to overcome them.

The second report——

Senator Montoya. Did you not have that kind of a report before? Why did you have to repeat it?

Mr. Corbally. That is the first report.

The report, which is on its way now, is a report which outlines the concerns to which NIE has been addressed, the steps which NIE has taken to address those problems, a listing of the projects which have been funded and are underway, and a listing of a number of products of NIE research which are now in use in the field.

So, this second report is a real progress report.

DISTRIBUTION OF RESEARCH CONTRACTS

Senator MONTOYA. Can you file for the record specific recommendations which have been made in that report, and also file for the record the number of research contracts which have gone to different institutions? List all of them.

[The information follows:]

COUNCIL RECOMMENDATIONS

The second annual report of the National Council on Educational Research will focus on select needs in American education; the status of educational research and development in this country; the history and development of the National Institute of Education; and the contributions to education made by activities supported by the Institute. Though this report is not yet complete, the following are several of the specific recommendations made by the Council in establishing Institute policy which will be included in that document.

NCER Resolution No. 080673-3

August 6, 1973

RESOLUTION ON RESEARCH GRANTS PROGRAM

BACKGROUND

The primary purpose of the National Institute of Education (NIE) is to improve education for all Americans through research and development activities.

There are three principal goals incorporated in that purpose: to improve the equality of opportunity for all persons to receive an education of high quality; to improve the quality of education received by persons of all ages; to improve knowledge about the processes of learning and education.

To further these goals, Congress has created four objectives for NIE:

1. To help solve or alleviate the problems and achieve the objectives of American education;

2. To advance the practice of education as an art, science and profession;

3. To strengthen the scientific and technological foundations of education;

4. To build an effective R & D system.

While the principal emphasis of NIE is on the solution of problems in educational practice and on the linkages among researchers, developers and practitioners, NIE will also support as an important task the development of new knowledge which strengthens our understanding of the scientific and technological foundations of education. In such a program, individual scholars, as well as research institutions will be invited to propose research projects which address the fullest range of educational problems relevant to American education. The Institute will identify concerns of priority interest and make special efforts to seek and support research which may yield significant results in those areas. One area of special emphasis will be the education of persons from low-income families and minority communities in the United States.

Scholars representing different disciplines and perspectives, including those of women and minority communities, will advise the Institute's staff in the process of selecting projects for funding. These scholars will be joined by practitioners, policy-makers and other experts when it is appropriate.

In addition to supporting research projects, the Institute will also work to develop a general framework which may guide and coordinate research and facilitate the dissemination of significant research findings to educators who may utilize them.

COUNCIL ACTION

To carry out the foregoing purpose, the Council adopts the following policy: Be it resolved that the National Council on Educational Research adopts the general policy that the Institute shall conduct a program of research grants to which 10 to 15% of the Institute's resources may be allocated. This allocation of funds is based on the best judgment of the Council at this time upon consideration of the following:

1. Opportunities and plans for such a program described in the document prepared for the Council on Research Grants Programs;

2. The factors relating to overall allocation of funds:

   - The legislative objectives to strengthen the scientific and technological foundations of education as a purpose of the Institute and the legislative intent to establish a clear mandate for a stable investment in activities to carry out this purpose

   - Regardless of the resource allocation figure stated above, the Director will not approve any project which fails to meet high standards of quality and relevance;

3. The factors relating to expansion of the program over fiscal year 1973:

   - Review panel findings that among the approximately $1/4 billion in research proposals received for fiscal year 1973 about $18 million in projects were "approvable" on the basis of technical quality and relevance

   - Experience of other agencies which indicates that higher quality proposals and a larger number of proposals will be received in the second year

   - Special attention to review of larger research proposals in the future to assure that the review system does not reject such proposals

   - A sub-objective to build research competence in greater depth in individual institutions and in more institutions than was possible with 1973 funding.

Patrick E. Haggerty, Chairman
National Council
on
Educational Research

NCER Resolution No. 091773-4

September 17, 1973

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

ALLOCATION OF RESOURCES

BACKGROUND

Public Law 92-318 requires the National Council on Educational Research to establish general policies for and review the conduct of the National Institute of Education, provide advice on development of programs to be carried out by the Institute, make recommendations for strengthening educational research and improving dissemination and implementation of findings, and report on the status and needs of educational research.

Among the means available to assist the Council in carrying out these responsibilities are program review and allocation of funding resources. The Council must be concerned with the overall balance among competing priorities as well as the substantive content of the principal activities of the Institute. Over the coming months the Council has tentatively scheduled a series of program reviews which will cover the whole range of the Institute's activities. The members of the Council believe that such reviews will provide a basis for deliberation of the underlying objectives and strategies for NIE activities and, taken together, will permit the Council to fulfill its statutory responsibilities with deeper understanding.

The Council recognizes, however, that there are many obligations of the Federal Government which must be met, and that decisions must be made by the Director relating to the responsible continuation, modification, and evaluation of programs which have been transferred to the Institute from other agencies. Such decisions will frequently be necessary prior to Council consideration of particular programs. Moreover, the Council favors a continuation of its policies incorporated into the resolution of July 10, 1973, that the Institute (1) allocate funds for promising unsolicited proposals and (2) conduct exploratory studies and other planning efforts (necessary to development of programs and to assisting the Council in performance of its policy guidance responsibilities).

COUNCIL ACTION

Accordingly, the Council resolves that the Director may allocate the program resources of the Institute among major statutory goals as follows:

Strengthening of the knowledge base (Covered by August 6 Council policy on the Research Grants program)	10 to 15%

Strengthening of the R&D system	10 to 20%
Solving problems and advancing the practice of education	65 to 80%

This distribution is based on the Council's analysis to date of the inherited commitments, its understanding of research needs and opportunities, and its own policies. The distribution is also subject to modification as the Council reviews additional programs and assesses relative priorities during the coming months.

This action is taken with the following understandings:

- o It will serve as a guide to the Director for staffing and planning and to the Council as a context for review of Institute activities.
- o No commitment will be made which would raise or establish any significant new policy issues in any program area before completion of the appropriate Council program review. As an interim limitation prior to development of Council policy for any program area, no individual grant or contract for new initiatives with an annual cost in excess of $500,000 or a lifetime cost in excess of $2 million will be approved without referral to the Council for consideration of the policy questions which any such grant or contract might raise.
- o It will provide for the responsible continuation and modification of programs which have been transferred to NIE from other agencies and authorize planning and evaluation studies associated with these programs.
- o From 3 to 5% of the allocations specified above will be available for support of unsolicited proposals.
- o The Director may conduct such exploratory studies, pilot projects, conferences, state-of-the-art analyses, program development preparation, and related research and research planning activities as he believes will assist the Council in its review of Institute programs.

Patrick E. Haggerty
Patrick E. Haggerty, Chairman

9-17-73
Date

NCER Resolution No. 091773-5
September 17, 1973

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

EDUCATION VOUCHER PROGRAM

BACKGROUND

Introduction

The primary purpose of the National Institute of Education (NIE) is to improve education for all Americans through research and development activities.

In the legislation establishing NIE, the Congress declared it to be "the policy of the United States to provide every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class."

The legislation further states that "while the direction of the education system remains primarily the responsibility of state and local governments, the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process."

The Congress, therefore, established NIE to provide such leadership in working toward this national policy goal. One of the principle ways in which the Institute will meet its objectives is to conduct large-scale developmental programs which address major problems of American education and test important proposals for improvement of the educational process.

The Office of Economic Opportunity began an education voucher program in 1969 to determine whether increased parental control over the allocation of education funds produces improvements in student achievement and public satisfaction with the education children receive. Beginning with one site at the Alum Rock School District in San Jose, California, the Office of Economic Opportunity's research program was to include several additional test sites with development and operation lasting 5-7 years.

The education voucher program, along with other OEO research endeavors, has been transferred to DHEW in accord with the President's FY 1974 Budget. The Secretary has assigned present responsibility for the education voucher program to the NIE, including the Alum Rock project which is now entering its second year of operation.

Objectives

The objective of the education voucher program is to determine whether increased parental control over the allocation of education funds produces improvements in student achievement and public satisfaction with the education children receive. Specifically, the program is to determine the extent to which the following occur in a school system using vouchers:

- **Parents become more involved in their children's education;**
- **There is an increase in the diversity of educational programs;**

- Schools become more accountable to parents;

- The existence of the voucher system results in measurable improvements in students' achievements;

- Parents, children, and the public become more satisfied with the educational programs offered;

- The school system becomes more responsive to the particular needs of individuals and groups and the system continually re-evaluates and regenerates itself;

- Parental choices result in socio-economic stratification of students;

- Parental choices are based on program-related information, peer influence, school proximity, or facility condition.

Analysis of the data and evaluations from the several voucher projects will provide a basis for decisions by other communities about the desirability and feasibility of adopting a voucher mechanism.

Strategies

The program has two interrelated components:

- A field operation component to support the development of voucher programs at several sites with significant diversity in size and other characteristics, and exhibiting various sets of special procedures, regulations, and conditions;

- A research and analysis component to develop and monitor adequate measures of the events which occur in the test sites and to analyze their possible implications for national and local education policy.

SUPPORTING CONSIDERATIONS

This resolution is made at this time upon consideration of the following principal factors:

(1) The education voucher program, conducted at diverse sites over a sufficient period of time to allow careful longitudinal study, offers promise of testing the education voucher concept. It is anticipated that there will be secondary impact on organization, curriculum, instructional styles, and the relationship of the schools to their client populations.

(2) Great interest has been expressed by many school districts about participating in a test of the education voucher concept.

(3) The Alum Rock site has experienced generally favorable response from parents, teachers, administrators, public officials and professional associations in that locale.

(4) The quality of arguments both for and against the education voucher concept supports the determination to develop and

operationally test the concept in real situations with sufficient resources, time, and effort to provide a basis for conclusions about its merits.

(5) The developmental work completed under the Office of Economic Opportunity for the design of adequate research and evaluation strategies and techniques now provides a basis for the Institute's work.

(6) This program meets the concern of the Institute that major activities be so organized that they provide knowledge and models which are useful to the broadest possible range of educational systems.

COUNCIL ACTION

The National Council on Educational Research approves a continuing program by the Institute to develop and test the Educational Voucher concept. The overall design of this program shall seek a diversity of local social and economic characteristics and project features and regulations to assure, insofar as practicable, that the resulting data and analyses will provide answers of use to policy makers across the nation. The design of additional projects by the Institute and local participants should include participation by nonpublic schools insofar as this is permitted by law.

Therefore the Council authorizes the Institute to:

- continue to refine plans for an education voucher program to encompass three to five development and test sites;
- continue the development and operation of the on-going Alum Rock education voucher site and the research and analysis accompanying that site;
- continue the analysis of data about education voucher projects for the purpose of identifying implications for national and local education policy; and
- enter into detailed planning for one additional development and test site with funding anticipated in fiscal year 1974.

The Council will review the extent to which proposed projects conform with the Council's objective to achieve the diversity set forth above. Actual establishment of any new development and test sites will require specific approval by the Council.

Patrick E. Haggerty, Chairman — September 26, 1973
Date

NCER Resolution No. 120373-7

RESOLUTION OF NATIONAL COUNCIL ON EDUCATIONAL RESEARCH PROGRAM PRIORITIES

On November 5, 1973, the NCER adopted a resolution suspending its previous policy actions establishing a Research Grants Program (No. 080673-3), authorizing an Education Voucher Program (No. 091773-5), and allocating the Institute's funds for fiscal year 1974 (No. 091773-4). This action was taken because the expected FY 74 appropriation for NIE of $75 million fell far short of the requested funding level. The November action authorized the Director to spend funds only as necessary to meet commitments until the Council could undertake a further review of the Institute's plans and priorities. The Council has studied and debated the Director's recommendations for the allocation of the FY 1974 appropriation.

It is a major concern of the Council that NIE begin to move forward with the initial stages of research to solve problems in education which were the reason for creation of the Institute. The Council has found that virtually all of the currently available 1974 funds could be used to carry out prior Government decisions, principally for activities transferred to NIE from the Office of Education and the Office of Economic Opportunity. However, the members of this body believe that it would be very shortsighted, perhaps fatally crippling, if NIE were not to begin its work in new areas. Indeed, it would otherwise have nothing but rhetoric to show its intentions and to demonstrate the promising potential of research and development.

COUNCIL ACTION

The Council, therefore, resolves that the following policies shall guide the Director in making decisions for the conduct and support of research and development activities during the remainder of FY 1974. This action is taken on the basis of the best information the Council has available.

1) The Institute must move forward aggressively to address critical problems in American education and help meet the national policy, stated in the legislation establishing the Institute, "to provide every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class."

   The following will be the priority areas for the allocation of funds available for new activities of the Institute for FY 1974 and FY 1975:

   (a) The provision of essential skills to all citizens;

   (b) The improvement of the productivity of resources in the education system;

   (c) Understanding and improving the relationship of education and work;

   (d) The development of problem-solving capability in education systems at the State and local level;

e) Increasing diversity, pluralism and opportunity in American education.

2) A research grants program will be initiated, as provided by the Council's Resolution of August 6 (No. 080673-3), emphasizing the contribution which fundamental research can make in support of the priorities listed above.

3) It is currently estimated that funds totalling $76.1 million are required to meet commitments for the external research and development activities supported through grants and contracts, and in-house activities including research, program development and direction, and necessary administrative support within the Institute. It is the policy of the Council that these commitments be honored as long as the continuing reviews of technical adequacy and potential significance to American education affirm present expectations. The Council, however, seeks to support the continued development of the Institute programs. Therefore, the Institute should defer the obligation of as much of these funding commitments as possible where such deferment would not entail undue hardship for performers and would not harm the research objectives or potential utility of the activities involved. The purpose of this deferral is to permit the Institute to initiate work on new priorities. It is estimated that the commitment level can be reduced to about $60 million through this deferment. The Council would restore these sums at the earliest opportunity when additional funding becomes available.

4) The deferral of some obligations will make available approximately $15 million in FY 1974 for the conduct of exploratory studies, analyses and planning studies, and the initiation of new program activities primarily in the five priority areas listed above. In addition the Council believes that the Institute, like any good research enterprise, must always invest a portion of its resources in exploration of issues not identified among the priorities, in unique opportunities which may be presented by individuals outside the organization and in deliberate seeking of alternative conceptions to problems or entirely different ways of approaching problems. Therefore, the Institute must set aside some funds for such work including, on an extremely limited basis, the support of proposals which come spontansously from individuals outside NIE.

5) In the event that any additional funds become available in fiscal year 1974 it is the policy of the Council that such funds be first used to restore funds for all commitments for which obligation of funds was deferred.

6) The Council reactivates its earlier resolution (No. 091773-5) approving the continuation of the Institute's program to develop and test the Education Voucher concept.

This Resolution is effective December 3, 1973.

Patrick E. Haggerty, Chairman

12-3-73
Date

NCER Resolution No. 013074-8

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

NATURE AND TYPE OF MEETINGS

I. INTRODUCTION

The National Institute of Education (NIE) is continuing to develop strategies and practices for public understanding of, and involvement in, the planning, operation, and review of NIE policies and activities. It is recognized that there are both general public interests and special concern of group and individuals which must be taken into account.

Although the burden for developing and maintaining such interaction lies with the Director and staff of the Institute, Council members believe that both collectively and individually they can support these efforts and improve their own work by providing for public attendance and participation in sessions of official Council meetings.

The Council believes that it is important for the public to know and understand the Council's policies and the reasons for these policies.

II. COUNCIL ACTION

It is, therefore, resolved that the general policy of the National Council on Educational Research (NCER) is to conduct open meetings and to allow the public to attend those meetings.

To enhance public awareness of its activities, the Council will:

--give prior public notice of Council meeting dates, places, and tentative agendas;

--release to the public the approved minutes of meetings; all Council resolutions; and press releases, policy papers, and reports when appropriate;

--expect that NIE staff members will solicit public opinion as part of the normal program planning process and reflect this opinion in material presented to the Council.

Persons who wish to submit written statements to the Council may do so at any time. Members of the public who wish to address the Council in person must send a copy of their proposed statement to the Chairman of the Council and the Council's Executive Secretary at least ten days in advance of the meeting at which they wish to speak. The Chairman will determine whether a presentation is appropriate or whether the written statement will suffice. All written statements will be acknowledged.

EXCEPTIONS

There are only two situations in which, for compelling reasons, all of a meeting or portions thereof may not be open to the public:

1. The Council shall, as is common to all decision-making and operative bodies, hold executive sessions. One such session shall be held at each Council meeting. Only appointed and ex-officio members of the Council shall be present at executive sessions.

2. The Council may hold closed sessions in order to discuss, or have presented to it, documents, materials, information, opinions or recommendations that would be exempt from disclosure under the Freedom of Information Act. This might include information whose public disclosure would constitute an unwarranted invasion of the rights of privacy of an individual or a breach of the necessary confidentiality of certain documents or materials. Attendance at closed sessions shall be limited to Council members, invited members of the NIE staff, and other persons invited by the Council. Normally, the schedule for closed sessions and the items to be discussed during those sessions will be generally indicated on publicly available agendas.

Some examples of items that might warrant a closed session are:

--Examination of NIE budgets that are still confidential within the Executive Branch of the Federal Government;

--Any discussion of an NIE program which by its nature must refer to any confidential grant, contract or budget information, or to a particular person, if the disclosure of particular information would be an unwarranted invasion of privacy, or if the premature disclosure of such information would hamper NIE operations;

--Consideration of internal NIE memoranda or other documents that would be exempt from disclosure under the Freedom of Information Act.

Any resolutions passed or actions taken by the Council at either an executive or a closed session shall be released to the public in the same manner as done for open meetings.

This resolution is effective January 31, 1974.

Patrick E Haggerty
Chairman

1-30-74
Date

NCER Resolution No. 013174-9

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH
PRESIDENT'S BUDGET

On December 3, 1973, the National Council on Educational Research adopted a resolution declaring that the National Institute of Education:

> ...must move forward aggressively to address critical problems in American education and help meet the national policy stated in the legislation establishing the Institute, "to provide every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class".

That resolution established the following as the priority areas for the allocation of funds available for new activities of the Institute in FY 1974 and FY 1975:

1. The provision of essential skills to all citizens;
2. The improvement of the productivity of resources in the education system;
3. Understanding and improving the relationship of education and work;
4. The development of problem-solving capability in education systems at the State and local level;
5. Increasing diversity, pluralism and opportunity in American education.

The Council has reviewed the actions planned by the Director for work in these priority areas as well as decisions reflected in the President's Federal Budget for Fiscal Year 1975 and the proposals included in that budget for the remainder of Fiscal Year 1974. On the basis of this review, the Council resolves that:

1. Funds will be allocated among the priority and supporting areas in accord with the attached table entitled "National Institute of Education FY 1974 and FY 1975 Estimate", dated January 30, 1974.
2. From the NIE current Fiscal Year 1974 appropriation of $75 million, discretionary funds of $16.0 million are to be used as follows:
    - $5.0 million in grants for fundamental research studies directed toward the Council's priority areas
    - $7.0 million for design and conduct of research and development in the five priority areas
    - $2.2 million for dissemination of research products
    - $1.8 million for policy studies in areas such as teaching effectiveness, education goals, finance, and sex discrimination in education.

3. The Director will bring to the Council for its policy guidance any planned actions which would modify the funds specified in Point 2 by 10 percent or more or amounts in excess of $500,000, whichever is less.

4. For the Fiscal Year 1974 supplemental appropriation of $25 million proposed in the Federal budget, the Council provides the following policy:

   - $16.2 million will be allocated for restoration of funding commitments to grantees and contractors which were deferred in the regular budget in order to initiate work on new activities consistent with the Council resolution of December 3, 1973

   - $6.3 million will be allocated to research and development in the Council's priority areas, including (a) design of studies to assist in the transition of youth to adulthood and, thereby, advance the Council's priority for the education-to-work relationship; (b) measures to improve teachers' ability to solve problems through work with other teachers; (c) studies to advance the Council's priority for enhanced diversity in education through bilingual/bicultural education, and research in learning disabilities; and (d) studies of the effects of desegregation and the use of test measures in allocation of public funds

   - $2.5 million for dissemination of research and development products.

5. Pending Congressional action on the proposed Fiscal Year 1974 supplemental appropriation, the Director should prepare work plans for each of the activities to be conducted and the Council will review the progress of such plans at its forthcoming meeting on April 1.

6. For Fiscal Year 1975, the allocations in the attached table entitled "National Institute of Education FY 1974 and FY 1975 Estimate" will serve as guidance to the Director for development of work plans and for his discussions with the Congress and with educators, researchers, and members of the public. Members of the Council will participate in development of NIE's overall objectives and strategies to accomplish the goals represented by the 1975 budget and the Council will review and approve such objectives and strategies covering each area of Institute activity in forthcoming meetings.

This Resolution is effective January 31, 1974.

Patrick E. Haggerty, Chairman

1-31-74

Date

January 30, 1974

National Institute of Education

FY 1974 and FY 1975 Estimate

(Dollars in thousands)

	FY 1974	%	FY 1975	%
I. Priority Areas	$ 59,228	65.8	$ 78,694	67.2
1. Essential Skills	8,409	9.3	11,962	10.2
2. Productivity	10,121	11.2	16,458	14.0
3. Education/Work	16,813	18.7	21,293	18.2
4. Problem Solving	7,226	8.0	8,638	7.4
5. Diversity				
(a) Experimental Schools	3,550	4.0	5,048	4.3
(b) Voucher Experiment	7,037	7.8	7,400	6.3
(c) Multi Cultural	3,205	3.6	3,039	2.6
(d) Handicapped	1,867	2.1	3,856	3.3
(e) Research Grants	1,000	1.1	1,000	.9
II. Dissemination	8,678	9.6	12,850	11.0
III. Research				
1. Basic Studies	1,460	1.6	6,885	5.9
2. Policy Studies	2,421	2.7	2,800	2.4
3. Teaching and Curriculum	18,243	20.3	15,871	13.6
		100.0%		100.0%
IV. Program Direction and Administration	10,670		12,900	
Total	$100,700		$130,000	

NCER Resolution No. 031374-10

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

PROBLEM-SOLVING PRIORITY

Introduction

At its meeting on December 3, 1974, the National Council on Educational Research established five priorities for the National Institute of Education. These priorities provide direction for a substantial portion of the Institute's programs, especially initiatives proposed in the budget requests for the FY 1974 Supplemental Appropriation and for FY 1975. The program activities developed under these priorities are intended to improve the Institute's ability to help achieve the national policy of providing "to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class."

One of these priorities is the development of problem-solving capability in educational systems at the state and local levels.

Program

The problem-solving priority results from a policy study undertaken by NIE staff (Building Capacity for Renewal and Reform, NIE, December 1973). A major part of that study addresses the issue of how to bring about a continuous capacity for self-improvement in schools and school districts. The study reviews past Federal efforts to stimulate school change, taking note of research findings that point out that while there has been much "innovative" activity in the schools, little of it has resulted in sustained change.

The locus of the Institute's work under this priority will be the Problem-Solving Program located in the Institute's Office of Programs.

The objective of this program is to determine how effective problem-solving capacity might be developed and implemented in various types of schools and school systems to solve local educational problems. This capacity is envisioned as the ability of school personnel to anticipate and analyze problems, secure community and staff commitment to analyze alternative solutions, generate local solutions or adopt solutions developed elsewhere, implement the solutions, and ensure their continued operation and effectiveness.

The program will work toward its objective through the following three principal strategies, which are discussed in the background paper presented to the Council for its March 13 meeting:

A. To support field-initiated research into organizational and behavioral characteristics of schools and school systems which affect educational change.

B. To support directed research to learn how schools and school systems can develop and sustain a capacity for local problem solving.

C. To develop materials, techniques, and resources which provide new kinds of assistance to local schools and teachers to aid the development of problem-solving capability.

Council Action

The Council has reviewed the basic premises and strategies of the Problem Solving Program. It concurs with the Director that the activities planned for FY 1974 and FY 1975 meet the objective of the program and provide a strong foundation for further research and development work.

This resolution is effective March 13, 1974.

Patrick E. Haggerty
Patrick E. Haggerty, Chairman

March 13, 1974
Date

NCER Resolution No. 052874-11

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH
EDUCATION AND WORK PRIORITY

Introduction

At its meeting on December 3, 1973, the National Council on Educational Research established five priorities for the National Institute of Education (NIE). These priorities provide direction for a substantial portion of the Institute's programs, especially initiatives proposed for FY 1974 and FY 1975. The program activities developed under these priorities are intended to improve the Institute's ability to help achieve the national policy of providing "to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class."

One of these priorities is to understand and improve the relationsh of education and work.

Program

The Education and Work Priority is based upon professional and public recognition that there is a significant relationship between an individual's education and his opportunities to select, enter, and progress in a career. Preparation for a career is not the only purpose for education, but it clearly is a major purpose. It is important both for the individual and for society that the relations between educational experiences and career success be better understood and that appropriate developmental programs be based on that understanding.

The major locus of the Institute's work under this priority is the Career Education Program. The Forward Plan of that program (NIE, 1973) sets forth a framework for describing and analyzing the relationship between education and work. Further study within that framework and careful review of the substantial career education programs transferred to NIE from the Office of Education in 1972 have led to the design of the current NIE Career Education Program described in the FY 1975 Program Plan for the Council's May 28, 1974, meeting.

The objectives of this program are:

(1) to improve understanding of the relationship of education and work,

(2) to develop programs and techniques that improve an individual's ability to select and enter a career, and

(3) to develop programs and techniques that aid individuals in progressing in their careers.

Research and analysis activities will be supported to achieve the first objective. Research, development, and implementation activities will be supported to achieve the second and third.

The program will organize its activities into six principal strategies which are discussed in the FY 1975 Program Plan paper:

- Research and policy analysis to identify important questions and to gather, organize, and analyze relevant information.
- Work on problems of guidance, counseling and placement which impair an individual's ability to select career and relevant educational opportunities.
- Development of curricula which improve an individual's opportunity to obtain general and specific skills needed to enter and progress in careers of his choice.
- Study financial barriers impairing an individual's ability to leave and re-enter occupational education programs throughout his life and design financial systems to overcome these barriers.
- Develop and test career education programs that utilize educational settings which are alternatives to traditional education institutions.
- Design and test comprehensive systems that respond to the needs of all learners, provide better links among primary, secondary and post-secondary schooling, and bring together scattered innovations in a comprehensive system.

Council Action
The Council has reviewed the general objectives and strategies of the Career Education Program. It concurs with the Director that these objectives and strategies are consistent with the intent of the Council in establishing the Education and Work Priority and provide a framework for planning research, development, and implementation activities for FY 1975 and FY 1976.

This resolution is effective May 28, 1974.

Patrick E Haggerty
Patrick E. Haggerty, Chairman

5-28-74
Date

NCER Resolution No. 011075-13

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH FISCAL YEAR 1976 PROGRAM AND BUDGET

Background

On December 3, 1973, the National Council on Educational Research adopted a resolution declaring that the National Institute of Education:

> ...must move forward aggressively to address critical problems in American education and help meet the national policy stated in the legislation establishing the Institute, "to provide every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class." (NCER Resolution No. 120373-7)

To further this goal the Institute has begun to concentrate its program and budget planning on selected problems in American education.

Council Policy

The FY 1976 program of the National Institute of Education has two major emphases. One is to disseminate and foster the utilization in schools of research and development products and exemplary practice. Another emphasis is the vigorous search for solutions to some major educational problems. The five principal program elements to achieve these emphases are:

1. Dissemination: The results of educational research and development have been far less helpful than they might be. Information on these results has not generally reached teachers, administrators, and policy-makers. Nor have systems--involving state, regional, and local education agencies and R&D performers--for making knowledge available and helping to apply it been well developed.

2. Basic Skills: Hundreds of thousands of students leave school each year without the reading ability required for most skilled or semi-skilled jobs, and similar problems exist with regard to basic mathematical skills. Millions of students are seriously handicapped in their school work by poor reading comprehension, and many, if not most, students and adults read much less efficiently than they could.

3. Finance, Productivity, and Management: The ability of educational institutions at all levels to provide high quality education is threatened in an era when enrollment is declining or changing in distribution and character, costs are continuing to rise, courts and other public bodies are requiring new distributions of educational funds, and education must increasingly compete with other social services for available funds. Schools and school systems are also finding it increasingly difficult to meet demands for better performance, greater diversity of programs, and other change because they lack organizational arrangements and management capability for diagnosing their problems and designing solutions.

4. Educational Equity: Many students are unfairly limited in their choice of educational programs because of their home language and culture, ethnicity, sex, or economic status. In some cases this is because adequate programs do not exist; in others it is due to uninformed or prejudicial placement of students.

5. Education and Work: Education is not sufficiently preparing youth and adults for entering and progressing in careers. Many students leave school without knowledge, information, and skills for choosing and pursuing a career and the education system is not well geared to provide adults with additional training related to careers.

In pursuing this program, the Institute will:

- distribute its funds so that state and local education agencies have a substantial share;

- award funds for projects in accord with competitive grant and contract procedures to those organizations best able to perform the necessary work while providing limited resources to take advantage of special opportunities which may be presented;

- seek to provide national leadership through involving leading researchers and members of the educational community in defining important problems and opportunities in education and suggesting means of responding to them as well as stimulating and directly supporting effective research, development, and dissemination projects to solve those problems; and

- assure that the Institute's general strategies and program plans bear the strongest possible relationship to the needs identified by the Congress, educators, researchers, state and local policymakers and others concerned with American education. Appropriate persons and groups will continue to be involved as active participants in the planning, operation, and evaluation of the Institute programs. NIE will seek to coordinate its strategies and activities with other federal agencies.

The Institute has planned its FY 1976 budget in accord with these program guidelines. The following table presents the overall distribution of funds. Further amplification of the program and analysis of the planned allocation of funds is available in the President's FY 1976 Budget.

	$ (millions)	Percent
Dissemination	$ 18.4	23
Basic Skills	13.9	18
Finance, Productivity, and Management	18.3	23
Educational Equity	5.4	7
Education and Work	9.9	12
Other Projects	3.4	4
Administrative Expenses and In-House Research	10.7	13
	$ 80.0	100.0

The Director will bring to the Council for its policy guidance any planned actions which would modify the funds specified in the above table by more than five percent or amounts in excess of $500,000, whichever is less.

This resolution is effective January 10, 1975 and may be released to the public as soon as the President has presented his budget to the Congress.

John E. Corbally
Presiding Officer

January 10, 1975
Date

NCER Resolution No. 052875-15

RESOLUTION OF THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH
SPECIAL INSTITUTE EVALUATION ACTIVITIES

INTRODUCTION

The Council is mindful that its policy actions must be taken with due regard for the need to strengthen working relationships among the Institute, the educational laboratories and centers as well as other education R&D organizations and, particularly, the agencies responsible for the provision of education services throughout the country. The Council is also very much aware that the Congress and the public have many questions about the effectiveness of education R&D and the value of investing significant national resources in it. To respond to these concerns, the NIE must capitalize on past achievements and the promise of new efforts, as well as take other actions authorized by this policy. The Council believes that it is the Institute's responsibility, under its original Congressional mandate, to further strengthen education R&D and to bring together the best work of education R&D so that its potential benefits can be understood and can be realized through implementation in the school systems of this nation.

POLICY

Accordingly, the Council requests that the Director:

1. Strengthen the Institute's emphasis on evaluation of research and development products and their dissemination so that prospective users of education R&D products can have useful information about their purpose, the resources necessary to use them, and evaluations of their effectiveness. The Council observes that too little such evaluative information has been gathered and analyzed in the past and that its absence has significantly weakened the potential for utilization of R&D and for an understanding of the value of education R&D on the part of the public and Congress. The Institute has responsibility to support and to provide guidance for appropriate evaluation within current budget constraints.

   The Director should also seek a complementing coordination of the NIE supported efforts of the several laboratories and centers to maximize their total effectiveness in educational research and development.

2. Provide a mechanism for evaluating the quality of the products of educational laboratories and centers and the products of other R&D institutions, as well as their

> institutional capacities in terms of the priorities established by the Institute. The Director should also seek to provide incentives and appropriate assistance so that other federal agencies, private organizations, and state and local education agencies can determine the extent to which they might provide funding for the work at educational laboratories and centers for which the Institute, under its approved program, cannot allocate its limited resources.

This policy becomes effective May 28, 1975.

John E Corbally

John E. Corbally, Chairman

May 28, 1975

DISSEMINATION AND RESOURCES $5,871,000

NIE's Dissemination and Resources programs are intended to strengthen and enlarge past efforts to see that the best available information about research or school experience reaches teachers and administrators in a useful form.

ERIC CLEARINGHOUSES

The ERIC Clearinghouses have the responsibility for acquiring significant educational literature within their particular areas, selecting the highest quality and most relevant material, processing (i.e., cataloging, indexing, abstracting) the selected items, and also for providing information analysis products and various user services based on the data base. Listed below are the subject areas of these clearinghouses:

1. Higher Education ERIC Clearinghouse	207,000
2. Urban Disadvantaged ERIC Clearinghouse	228,000
3. Handicapped and Gifted ERIC Clearinghouse	205,000
4. Career Education ERIC Clearinghouse	218,000
5. ERIC Clearinghouse on Counseling and Guidance	158,000
6. ERIC Clearinghouse on Educational Management	175,000
7. ERIC Clearinghouse on Junior Colleges	201,000
8. ERIC Clearinghouse on Science, Math., and Evironmental Education	233,000
9. ERIC Clearinghouse on Social Science and Social Studies	191,000
10. ERIC Clearinghouse on Tests, Measurements, and Evaluation	179,000
11. ERIC Clearinghouse on Early Childhood Education	165,000
12. ERIC Clearinghouse on Teacher Education	240,000
13. ERIC Clearinghouse on Rural Education	225,000
14. ERIC Clearinghouse on Reading and Communication Skills	345,000
15. ERIC Clearinghouse on Language and Linguistics	225,000
16. ERIC Clearinghouse on Information Resources	240,000
17. ERIC Processing and Reference Facility (Operations Research, Inc.)	573,000

This is a centralized information processing facility serving all components of the ERIC network. Services provided include: receiving and dispatch; document screening, duplicate checking, assignment, storage, etc., cataloging, indexing, abstracting, and editorial review of documents; computer processing; preparing machine-readable material; system and file maintenance; programming. It also prepares documents and journals on ERIC, its contents, and its use.

18. Current Index to Journals in Education (MacMillan Company) $ 75,000

This is a monthly publication of an index to all important educational periodical literature. Over 17,000 articles are indexed yearly.

19. Microfiche - Eric Document Reproduction Service (EDRS) 55,000

EDRS is the document supply and distribution component of the ERIC network. All non-copyrighted documents (and any other for which reproduction permission has been obtained) announced in Research in Education, a monthly abstract journal, are forwarded to EDRS, where they are microfilmed and converted into microfiche.

20. Printing of ERIC Material 60,000

This includes the costs of fulfilling NIE staff requests for ERIC documents

21. SEA Dissemination 1,350,000

This program plans to help State education agencies begin building or expand their present dissemination capabilities. One-time grants will be given to State education agencies who wish to improve some part of their already-existing dissemination program. Three to five year awards will be given to State education agencies who wish to begin building a dissemination program. At the end of the contract period, those States should have their own capacity to carry on an effective dissemination program.

22. Factbook and Analysis of Knowledge Production and Utilization in Education 35,000

This project is gathering and analyzing data on the current status of education R&D. Recommendations will be made for collecting specific data that is not presently being documented. Two fact books will be published.

23. Normative Structure of Knowledge Production and Utilization in Education (Regulators Study) 40,000

This project is studying and analyzing what legislation at every governing level has affected the scope, direction, and priorities of the education R&D system. It will also study other influences (such as the Civil Rights legislation or the major science boom of the 50's), which do not necessarily relate to education R&D, but affect it anyway.

24. State Information Liaison Program 75,000

This program supports the continuation of the Chief State School Officers Dissemination Secretariat which maintains liaison among dissemination personnel in Federal and State agencies.

25. Dissemination Planning 271,000

Planning activities for an expanded dissemination program in FY 1976 including commissioned papers, survey of educational products, preparation and printing of NIE product catalogs.

BASIC SKILLS $ 12,389,000

The Basic Skills program supports the development of knowledge concerning what skills are necessary to function in school and society and how people can obtain them. The FY 1975 program is funding several programs including curricula units, reading evaluation standards and teaching effectiveness materials. Project activities address the areas of teaching, learning, measurement and educational adequacy.

1. Comprehensive School Mathematics Program 549,000
   (Central Midwestern Regional Lab)

This program is developing mathematics curricula for students in grades K-12.

2. Reading Improvement Laboratory 2,644,000
   (Learning Research and Development Center)

The projects in this program are designed to overcome differences in learning styles and needs among children, ages 3-12. Evaluations are being carried on in all phases of this program.

3. Individually Guided Education 2,332,000
   (Wisconsin R&D Center)

This program includes a new pattern of school operation where students are grouped not by grades, but roughly by age limits (ages 4-6, 7-9, etc.).

4. California Teacher Study 1,208,000
   (Commission for Teacher Preparation & Licensing)

Teacher and students in grades 2 and 5 are being observed and theories are being developed and tested to learn how teacher behaviors influence student learning in English and mathematics.

5. Individual Learning
   (Research for Better Schools) 1,355,000

This project is developing, testing, and installing curriculum materials in mathematics, reading and library skills, and science for students in grades 6-8 geared toward the individual differences in student learning styles.

6. Personalized Teacher Education $950,000
(R&D Center for Teacher Education)

This project is developing and testing ways to help administrators of teacher training institutions make changes in their programs with as little disruption and conflict as possible.

7. Improving Teacher Competencies 961,000
(Northwest Regional Educational Lab

This program is developing instructional materials to teach teachers and school administrators how to plan and evaluate their teaching activities, solve problems, and interact better with their students.

8. Teacher Effectiveness 480,000
(Stanford Center for R&D in Teaching)

This project is developing and testing a teacher training system based on teachers' behaviors in the classroom.

9 Effective Teacher Education 623,000
(Far West Lab for Educational R&D)

This project is developing and evaluating teacher training materials which are designed to improve specific teaching skills.

10. Secondary Analysis Center 300,000
(Northwestern University)

This project is reanalyzing data collected for Project Follow Through to determine which curricula were best suited to the needs of low income students.

11. Evaluation Technologies 580,000
(Center for the Study of Evaluation)

This program is developing and implementing evaluation training products, i.e., manuals, self-instructional and group-instructional packages, for doing evaluations in the schools, State departments of education, or Federal agencies.

12. Program for Research on Objective Based Education 288,000
(Center for Study of Evaluation)

This program is developing and field testing a system for Objective Based Evaluation in reading. Objective-based evaluation means setting a specific goal and testing the student's achievement of that goal.

13. Planning Activities $ 319,000

Included are two national conferences to build research plans for reading and teaching, papers on artificial intelligence and language research, and phase out funding for the Mid-continent Regional Laboratory

EDUCATION EQUITY $3,003,000

NIE's Education Equity programs are seeking ways to help all individuals achieve the best possible education, regardless of race, language, sex or poverty. Its programs in FY '75 are concentrating primarily on the development of improved bilingual/bicultural curricula for elementary school children.

1. Desegregation Research: An Appraisal 22,000
(Northwestern University)

This project is up-dating a book that includes syntheses of all the articles and dissertations that have ever been written on desegregation research.

2. An Investigation into Various Aspects of the Relationship Between Language and Cognition 51,000
(Early Education Research Center)

This is a basic research project designed to investigate the relationship between language and thinking.

3. Goals of Secondary Education as Seen by Education Consumers 150,000
(Information Science, Inc.)

This project is developing simple and reliable methods for local education agencies to assess the educational goals of their clientele.

4. Early Childhood 966,000
(Southwest Educational Development Lab.)

This program is providing curriculum materials for Spanish-speaking children, ages 3-5.

5. Early Elementary 628,000
(Southwest Educational Development Lab.)

This project is developing and testing curriculum materials, instructional staff materials, and family activity materials.

6. Teaching and Linguistic Pluralism 221,000
(Standford Center for R&D in Teaching)

New experiments on tests to measure the language competence of bilingual children in their original language are being produced.

7. Intercultural Reading and Language Development $ 470,000
(Northwest Regional Educational Lab.)

This program is developing and testing materials to increase the reading, spoken, and written English skills of culturally different and economically disadvantaged children in grades 1-3.

8. Bilingual Education 243,000
(Southwest Education Development Lab.)

This program has developed a set of tested products directed toward language development and cultural awareness in Spanish speaking children, grades K-2.

9. Continuation of American Sociological Association (ASA) Fellowship Program — $ 150,000

This is a program sponsored jointly by NIE and NIMH. Twenty minority students are chosen by ASA to receive 1-3 year grants to continue their studies in Sociology of Education (i.e., the application of sociology to the field of education). The purpose of the program is to encourage minorities to enter the field of education R&D.

10. Planning — 102,000

Activities include planning for multicultural research, the compensatory education study, research on women's educational problems and the minority education research community.

EDUCATION AND WORK — 12,671,000

NIE's FY 1975 Education and Work programs are based on past experience from both research and school experience. These programs are continuing to help research, school, and business communities find new ways to give students work experience; and design new guidance and counseling materials so that educators can better assist both students and adults in their search for rewarding careers.

1. Experience Based Career Education Model

(Research for Better Schools)	860,000
(Appalachian Educational Laboratory)	933,000
(Northwest Educational Laboratory)	836,000
(Farwest Educational R&D Center)	865,000

These projects are developing an alternative to traditional high school programs, emphasizing learning through direct experience in a variety of adult career activities, especially in employment settings.

2. Mountain Plains Educatin Economic Program (Glasgow, Montana) — 5,250,000

This residential program for rural, multi-problem families is studying the feasibility of economic rehabilitation of families through a comprehensive family human development approach.

3. Career Internship Program (Opportunities Industrialization Center, Phila.) — 873,000

This program is an alternative school for 10th, 11th, and 12th graders designated as dropouts or potential dropouts.

4. Career Planning Support Systems (Center for Vocational Education, Columbus, Ohio) — 602,000

This project is designed to improve career guidance programs at the high school level, the program is geared particularly toward the problems of minorities and women.

5. Development of the Home-Based Counseling Model (Education Development Corporation) — 854,000

This project has designed a counseling and guidance service for adults who are at home, but considering entry into the labor market.

6. Methods for Curriculum Content Derivation $305,000
(Center for Vocational Education, Columbus, Ohio)

This program is developing guidelines and procedures to guide curriculum planners when they are setting up occupational training programs in public secondary and post-secondary schools.

7. Executive High School Intern Program Evaluation 100,000

This activity will conduct an evaluation study of an internship program which places high school students with executives, managers and supervisors to observe the decision making process.

8. Development of Performance-Based Professional Education 337,000
(Center for Vocational Education, Columbus, Ohio)

This program is developing new curriculum to be used by teacher training institutions to aid teachers in teaching career skills.

9. Career Decision Making 204,000
(Appalachia Education Laboratory)

This program is developing a system of career information materials which will provide guidance to secondary level students in making career decisions.

10. Career Education Product Installation Handbook 92,000
(Center for Vocational and Technical Education)

This project has formulated strategies and developed guidelines for the installation of new career education products.

11. CVTE Curriculum Units 560,000

This project is revising and field testing up to 68 career education curriculum units developed by the Center for Vocational and Technical Education at Ohio State University.

FINANCE, PRODUCTIVITY, AND MANAGEMENT $18,499,000

NIE Finance, Productivity, and Management programs are concentrating on ways to help school administrators, State officials, and school board members make the "system" of education more efficient and effective. FY 1975 activities support programs to develop effective management techniques to help schools handle demands for better performance, and several large scale development projects including the voucher experiment, 3 satellite demonstrations and the Experimental Schools program to test locally initiated combinations of change in schools.

1. Responsiveness of Public Schools to Their Clientele 167,000
(Center for the Advanced Study of Educational Administration)

This program is studying the relationship between public demands for educational services and the school systems' response to those demands.

2. Management Implications of Team Teaching 280,000
(Center for Advanced Study of Educational Admin.)

This project is studying the impact of team teaching on staff interaction and job satisfaction.

3. Rural Education Program 1,097,00
(Northwest Regional Lab)

This program consists of a set of closely related strategies to help rural communities make effective and lasting improvements in their learning and living conditions by involving local people in change decisions and activities.

4. Strategy of Organizational Change 120,000
(Center for Advanced Study of Educational Admin.)

This project is studying the social and psychological conditions which are conducive to a well-run and healthy school organization.

5. Organizational Strategies for Improvement of Urban Schools 500,000

This project is gathering information on how urban schools make improvements within their own systems, based on grants made to 9 urban school districts in FY 1974.

6. Administering for Change 897,000
(Research for Better Schools)

This program seeks to strengthen the capability of school districts to select, install, and maintain improved educational practices.

7. Environment for Teaching 390,000
(Stanford Center for R&D in Teaching)

This project is studying what organizational factors influence the successful implementation of such new and more complex teaching structures as individualized instruction, open-space schools, and team teaching.

8. School Organization 347,000
(Center for Social Organization of Schools)

This project is gathering information on how the structure and organization of the classroom and school influence not only student achievement in school, but in other environments as well.

9. Schools and Maturity 144,000
(Center for Social Organization of Schools)

This project is developing tests that can be administered by trained school psychologists to measure the social and psychological growth of school children.

10. Management Utilization and Staff Training 14,000
(Center for Advanced Study of Educ. Admin.)

This project is developing self-instructional materials particularly for use by elementary school teachers, grades 1-8, who desire to work together in team teaching situations.

11. Communications Based and Analytical Procedures 1,507,000
(National Center for Higher Education Management Systems)

This program is concerned with the planning and management of higher education at the institutional, State, regional, and national levels.

12. Program Planning and Budgeting System in School Organization 205,000
(Center for Study of Educational Administration)

This project is conducting research on the consequences of a school district's adoption of Program Planning and Budgeting System (PPBS) on its schools, professional staff, students, and community.

13. Rocky Mountain Satellite Test 1,519,000
(Federation of Rocky Mountain States)

14. Appalachia Satellite Test 801,000
(Appalachia Regional Commission)

15. Alaska Satellite Test 665,000
(Office of Governor, Alaska)

The Rocky Mountain project will help students in junior high schools learn about various careers and how to choose one. The Appalachian project will offer inservice teacher training courses for college credit. In Alaska prereading instruction for children 4-7 years old, information about basic health habits, and programs that allow members of different Alaskan tribes to find out about one another's culture will be offered.

16. Satellite Evaluation — 634,000

NIE is conducting a major overall evaluation of the satellite projects involving: cost effectiveness, people's acceptance, and methods of presentation, and such topics as policy implications, the government's role in any future enterprise of this kind, and various ways that local, State, and possibly Federal organizations might coordinate efforts to establish continuing projects that use satellites as the means of transmission.

17. Inter-Agency Transfer for Rocky Mountain, Alaska, and Appalachia Satellite Projects (Hardware)
(Office of the Secretary, DHEW) — 675,000

Through the Department, NIE will acquire the hardware (terminals, receivers, and other ground equipment) associated with the satellite.

18. Marketable Preschool Education
(Appalachia Education Laboratory, Inc.) — 403,000

This project is developing and reviewing curriculum and a television series that incorporate elements of the Appalachian culture and emphasize social skills for preschool children in the Appalachian area.

19. Open Learning Seminar — 18,000

NIE will sponsor six seminars to examine and analyze open-learning at the post-secondary level.

20. State University of Nebraska — 1,418,000

This project is a statewide educational program with regional potential designed to offer first and second year college courses at home and/or regional centers via television, videotapes, audio cassettes, telephone, texts, films.

21. Alum Rock Unified School District
(San Jose, California) — 1,510,000

This demonstration project is testing the feasibility of a "free market" system in education. Parents are given vouchers which equal the average per student expenditure and they are allowed to send their children to the school of their choice.

22. Evaluation of Alum Rock
(Rand Corporation) — 412,000

This project is studying and analyzing data on the Alum Rock demonstration. Reports are being published.

Experimental Schools

The projects in this area are developing and testing alternative forms of school programs and systems.

23. Piedmont Project 1,200,000
(Greenville, S.C.)

This project is developing curricula which emphasize:

- basic skills (reading, writing, arithmetic) as they relate to the real world;
- vocational and occupational preparation;
- strong concentration on the expressive arts.

Value formation and creativity are important concerns in the new curriculum. The program also emphasizes increasing student participation in curriculum decisions.

24. Evaluation of Greenville, S.C. 220,000
(Ultra Systems, Inc.)

This project is studying and comparing the different ways of organizing school programs and also evaluating what effect the alternative programs have on the 5,000 school children in this district.

25. Evaluation of Edgewood, Texas 210,000
(Development Associates, Inc.)

This project is examining the ability of a school system that serves a 95% Mexican-American population to adapt its program to the learning characteristics of its students.

26. Evaluation of Small Schools Project 648,000
(ABT Associates)

This program is designed to increase understanding of the unique problems faced by rural school districts and to explore the process and effects of attempts of change in small schools serving rural areas.

27. National Urban League Street Academy Programs 1,172,000
(Washington, D.C., South Bend, Indiana, & Oakland, California)

These programs are run by the local urban league and are targeted toward disadvantage students. The curriculum and organization of the schools are varied--from traditional classrooms in a site in Washington to open-space classrooms in California. One site includes a farm where students grow food which is sold by the academy. Each one of these projects is funded in an experimental grant arrangement. The grant requires the local urban league to negotiate a contract with the local school district to take over the funding of the academies. The grants run for five years and the amount of support from NIE decreases each year.

28. Evaluation of Minneapolis, Minnesota (Aries Corporation) — 90,000

29. Data Management Contract (C.M. Leinwand & Co.) — 261,000

This activity is to collect and computerize the data needed for evaluation of the Alum Rock Voucher site.

30. Center for the Study of Public Policy — 167,000

Contractor provides technical assistance to the Alum Rock voucher site, disseminates information about Alum Rock and prepares comprehensive voucher history.

31. Enrollment Shift Studies — 369,000

Projects provide for two demonstration activities dealing with how communities can solve the problems of increasing or declining enrollment.

32. Voucher Planning and Feasibility Studies (New Hampshire and East Hartford, Conn.) — 220,000

These two localities have expressed interest in studying the implications and planning for possible voucher demonstrations to test other variations of the voucher system than the regulated compensatory system at Alum Rock, Ca.

33. Planning Activities for FY 1976 — 249,000

Funds will support the conferences, seminars and commissioned papers required to develop research plans in the following areas:

- School Finance
- Post Secondary Education
- Competency Based Education
- Computer Assisted Instruction
- Cost Effectiveness Studies
- Evaluations of the University of Mid-America and National Center for Higher Education Management Systems Projects
- Policies for Innovation in Education Services

SPECIAL PROJECTS $ $6,267,000

The projects listed under this category do not directly fit into the Institute's program structure. Most of these activities are contractual obligations and will be completed with FY 1975 funds.

1. CERI (Centre for Education Research and Innovation) 100,000

CERI is the only major international education research and development organization in the world. Through its membership in CERI, NIE can quickly learn of innovations in the field of education in other countries.

2. NIE Child Study Center 61,000

The NIE Child Study Center, formerly the OE Demonstration Center, is supported as a research facility for in-house professionals to conduct research on the learning and development of young children.

3. Home Visiting with Mothers of Toddlers and Siblings 59,000
(Demonstration & Research Center for Early Education)

This project is developing and analyzing a program where trained "visitors" work in the home with low-income parents, their toddlers, and other preschool children. The general objective is to enable mothers to become more effective in changing behavior for all their young children, and at the same time, to enhance the mother's competence and confidence in coping with demands.

4. Analysis and Modification of Behavior of Handicapped Children 220,000
(University of Washington)

This project is studying and developing curriculum materials and instructional procedures for the teaching of handicapped children.

5. Educational and Behavioral Sequelae of Prenatal and Perinatal Conditions
(University of Minnesota) 233,000

The project is studying the achievement, behavior, and social program of children who have neurological disorders (e.g., cerebral palsy or mental retardation). Data has already been collected on the conditions of pregnancy, birth, and developmental history of these children.

6. Family Influences in Childhood Characteristics 36,000
(Early Education Research Center)

This project is reanalyzing existing data on family influences on early childhood social behavior and education. Because of certain problems with the evaluation methods used in earlier analyses (e.g., not taking into account measurement errors or not measuring the impact of certain events in the child's environment on later characteristics), new models will be developed and applied which should give researchers more true information about these influences.

7. Toward a Theoretical Model of Infant Competency — $69,000
(Demonstration & Research Center for Early Education)

This program is studying the ability of an infant to control his world in both social and non-social situations.

8. Training Systems for Staff on Early Childhood — 313,000
(Far West Lab for Educational R&D)

This program is a training system for early childhood education staff including teachers' assistants, teachers, teacher trainees, program directors, parent coordinators, and social service workers.

9. Project TALENT Eleven Year Follow-Up Study — 577,000
(Palo Alto, California)

The random sample of all students in grades 9-12 was given a battery of tests and questionnaires in 1960. Subsequent follow-up questionnaires have been administered to the students at intervals of one and five years after graduation from high school. The present phase of TALENT covers the data collection for the period 11 years after graduation.

Systems for Comprehensive Education — 2,192,000
(Southwest Regional Laboratory)

This program is developing curriculum materials for grades K-6 in reading, writing skills, spelling, drama and public speaking, and language concepts for Spanish speaking children.

11. Aesthetic Education — 1,372,000
(Central Midwestern Regional Lab)

This program is developing and testing multi-media, instructional packages for students in grades K-6. The content of the material is made up of the basic "vocabulary" of six arts areas: dance, music, film, literature, and the visual arts. The packages include games, slide-tape presentations, light and color sources, tapes, boxes of hands-on materials, work-books and texts, masks, mounted photographs, and editing devices.

12. Humanizing Learning — 801,000
(Research for Better Schools)

This three year program is developing and testing curriculum materials for students in junior high school. The materials attempt to prepare the student for later life by developing skills in judgement making, self-initiative and affective growth.

13. D.C. Schools Project — 100,000

The District of Columbia Public Schools/Response to Educational Needs Project is an inner-city educational program whose ultimate goal is to improve the educational achievement level, in both cognitive and affective areas, of approximately 21,000 disadvantaged children in 19 elementary, junior high, and senior high schools in the Anacostia Section of Washington, D.C. These funds will support a study of the community changes related to the D.C. Schools projects as well as external evaluation.

14. Instructional Systems Program — 134,000
(Central Midwestern Regional Lab)

This is a program to design educational materials to improve the language, cognitive, auditory and visual skills of young children.

Senator MONTOYA. And how you spent the $58,700,000 for research and development.

Mr. CORBALLY. Project by project?

Senator MONTOYA. Yes; and the amounts.

Mr. CORBALLY. I cannot do that, but I know of some people who can very rapidly.

Senator MONTOYA. You may submit that as a request to NIE and we will do it separately anyway here.

You can submit it?

Mr. CORBALLY. Yes; I can.

Senator MONTOYA. You are the Chairman of the Council?

Mr. CORBALLY. The first was, I have your number project by project and by dollar.

Your first question?

Senator MONTOYA. In institutions?

Mr. CORBALLY. And you had another one just before that?

Senator MONTOYA. Any specific recommendations which you have made in your report. You might send that report to me. I would like to look at it and see if it is worth $80 million, or $58 million—$80 million this year.

Mr. CORBALLY. Why it is worth at least $160 million; but we are being generous in terms of your problems.

Senator MONTOYA. I want to know whether you are carrying us into space without realizing anything.

Mr. CORBALLY. Yes, indeed. We have wanted to know that on the Council also.

Senator MONTOYA. All right, sir.

I guess that is all. Thank you very much.

Mr. CORBALLY. Thank you.

ADULT EDUCATION

STATEMENT OF JAMES R. DORLAND, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION FOR PUBLIC CONTINUING AND ADULT EDUCATION

PREPARED STATEMENT

Senator MONTOYA. The subcommittee will hear testimony on adult education. Mr. Jim Dorland and Mr. Charles Wood are here to present the statement on the subject.

The statement will be made a part of the record and you may proceed to summarize it. Mr. Dorland?

[The statement follows:]

Thank you for permitting us to appear before you today to testify in behalf of adult education needs across the country. Although our witnesses represent somewhat different constituencies and might reflect viewpoints which vary on minor points, we are very much together in all major areas, including our overall support of programs made possible under provisions of the Adult Education Act and in our firm belief that these programs could be funded at the maximum authorization level of $175 million for Fiscal Year 1976 and still fall short of meeting the national need.

Today I am representing the National Association for Public Continuing and Adult Education (NAPCAE) and its two major affiliates, the National Council of State Directors of Adult Education and the National Council of Urban Administrators of Adult Education. It is the members of these organizations who have the primary responsibility at the state and local levels for carrying out the programs provided for in the Adult Education Act. They are the people who are truly on the "firing line" in adult education as they try to make the best possible use of financial resources which are meager at best in terms of helping to alleviate the major socio-economic problem of adult undereducation.

In our country the undereducation of adults is neither a problem with which we are suddenly confronted nor one to which the Congress has just recently devoted its attention. In fact the calendar reminds me that this year marks the beginning of the second decade in which it has been my privilege to represent NAPCAE as an advocate for adult educators by presenting adult education testimony before appropriations committees in both the Senate and the House. Furthermore, without the continuing support which has been provided by your subcommittee over the years, adult education would never have achieved the high level of success and acceptance which it now enjoys throughout all of our states and territories. During the past decade of existence of the Adult Education Act -- from 1965 until 1975 -- the federal government has exercised responsible leadership which has helped establish a completely functional funding partnership between local, state and federal governments, with none being completely dominant.

Last year was a significant one for adult education in several respects. Not only did the Education Amendments of 1974 amend and extend the Adult Education Act through June 30, 1978, but Congress also chose adult education as one of a small number of programs to receive advance funding for FY 1976 -- in the sum of $67.5 million. Of course we are pleased that adult education was included among the forward-funded programs, but we wish to call to your attention some factors which we hope will result in the allocation of funds over and above the $67.5 million.

The most significant factor is that the new authorizing legislation placed a number of additional responsibilities on the states. The Education Amendments of 1974 changed the Adult Education Act in these significant respects by including provisions for the following:

> Permitted expenditure of up to twenty percent from each state's allotment for adult high school programs, a desperate need for many of the six million adults who have already completed adult basic education made possible through the Adult Education Act.
>
> Shifted the responsibility for special experimental demonstration projects and teacher training from the U.S. Commissioner of Education to the states, with the requirement that each state spend not less than 15 percent of its total state grant funds for these purposes.
>
> Provided for the establishment of a national clearinghouse on adult education.
>
> Provided that special assistance be given to the needs of persons of limited English-speaking ability by offering bilingual adult education programs.
>
> Permitted each state to use up to 20 percent of its state grant funds for adult education programs serving institutionalized persons.
>
> Permitted each state to establish and maintain a state advisory council on adult education.

As commendable as these newly-enacted provisions are, it is obvious that they greatly increase the program responsibilities at the state and local levels, with the most obvious area of additional responsibility being that of special demonstration projects and teacher-training. Regardless of how much money is ultimately appropriated for the state grant programs under the Adult Education Act, we strongly recommend that an additional 15 percent be appropriated so that the states can carry out their mandated responsibilities in special projects and training. Therefore, if $67.5 million is allocated for state grant programs, we recommend that an additional 15 percent, or $10.125 million, be appropriated so that the states can continue to fund local programs at their previous level of operation without having to withhold local program dollars for demonstration and training purposes.

The other area of additional funding to which we wish to speak has to do with the administration of state grant programs. In our opinion there has never been a clearly defined percentage restriction in previous versions of the Adult Education Act, and the Education Amendments of 1974 didn't change that picture. What has previously been incorrectly used as the authority to restrict administrative spending to a maximum of 5 percent is the language in Section 313 (b) of the Adult Education Act which states: "There are further authorized to be appropriated for each such fiscal year such sums, not to exceed 5 per centum of the amount appropriated...as may be necessary to pay the cost of the administration and development of State plans, and other activities required pursuant to this title."

Therefore, we urge again this year--as we have in the past--that Congress "further authorize to be appropriated" for state administrative purposes 5 percent of whatever amount is allocated to the states for state grant programs, including local program operation and demonstration and training. It follows, then, that if $67.5 million is made available for local operation of state grant programs and $10.125 million for demonstration and training, the additional 5 percent for state administration would be $3.881 million. Our total minimum request for Fiscal Year 1976 funding for the Adult Education Act is $81.506 million.

Mr. Chairman, thus far in this testimony I have been emphasizing quantitative elements such as dollar amounts, percentages, statutory provisions, and minimum requests.

Let me assure you that those of us in adult education are not unaware of the very real and the extremely serious budgetary constraints facing the nation, the Congress, and your subcommittee in particular as you make monetary decisions affecting the future. We know all too well that times are difficult, dollars are limited, and needs are great. Although we can empathize with you as you hear various requests from representatives of widely diverse groups--all of whom undoubtedly feel strongly about the programs for which they speak--we can't actually put ourselves in your shoes as you make these difficult decisions. However, we trust the democratic process while recognizing some of the imperfections which are inherent in it simply because a democracy is made up of people.

And it is, finally, about people that I want to conclude my remarks. Adult education is a program for people--for millions of the "little people" who don't have much reason to be terrifically enchanted by the American dream as long as they are numbered among our undereducated, which too often also means underpaid and underutilized. This isn't a quantitative aspect of my testimony. I can't measure it, but I can feel it and see it whenever I observe undereducated adults in a learning situation. I am convinced beyond any semblance of doubt that federal funds expended for adult education programs are among the wisest and most prudent investments which our Congress makes. During a time of massive unemployment when undereducation becomes a greater human liability than ever, and when the lack of education is often used as a factor in deciding whether or not to lay a person off a job, we can ill afford to short change untold thousands of people by saddling the states with far greater adult education responsibilities than they have previously had without giving them adequate funds with which to tackle their momentous task of human renewal through adult education. Our national program of adult education will successfully pass almost any rigorous test applied to it but one, the test of sufficiency when measured against need. The need is so great that any amount of money you recommend for adult education will be effectively, efficiently, and gratefully used. Thank you for hearing this plea in behalf of adult educators everywhere.

PROBLEMS CREATED BY LEGISLATION

Mr. **Dorland**. Thank you very much.

I would like to make a very few major points concerning adult education.

I have with me a copy of the Adult Education Act which was passed in 1966 and has been amended seven different times, the most recent one being last year, as a part of the Education Amendments of 1974, and was extended for 3 more years.

We are very pleased that your committee saw fit to forward fund adult education for fiscal year 1976 to the extent of $67.5 million. However, I am here to suggest that the legislation which was enacted has given us some problems because it throws considerably more responsibility on the States than had existed.

Very briefly the new responsibilities that the States have are these. They are now permitted for the first time to spend up to 20 percent of their money for adult high school education programs. Up until this time they had to spend them all for basic adult basic education programs. That is one new responsibility.

The second new responsibility is that for the first time the responsibility for research and demonstration teacher training has been shifted from the Federal Government to the States, and each State is required to spend 15 percent of its funds for these purposes.

This is all well and good conceptually, but no new funds were added to the States, so that the States now, in a sense, must take money away from programs, local programs, to spend for research and demonstration and teacher training.

Senator **Montoya**. Are you saying that that allocational requirement, that 15 percent is 15 percent of the Federal, or 15 percent of the total funding structure of the State for education?

Mr. **Dorland**. Fifteen percent of the funds that each State receives for adult education.

Senator **Montoya**. From the Federal Government?

Mr. **Dorland**. From the Federal Government; yes, sir.

In addition to that the States have been hamstrung because there has been, erroneously in our opinion, a 5-percent restriction on State administrative expenditures. The law never intended that originally, and we feel that the Office of Education has consistently misinterpreted the law and have held the States to a 5-percent limitation for administration. We are not suggesting that we need any high percentage, but we do not think that the law is necessary.

Senator **Montoya**. Do you not think that there have been abuses on the part of the State educational setups with respect to Federal funds, that they have been using quite a bit of those funds for administration, and the end objective has been lost sight of because of that?

Mr. **Dorland**. I am afraid, as I read some of the GSA reports, I know there is, where the State administrative expenses have been, perhaps 20 percent, 17 or 18 percent. It would appear to me, without sitting in their spot, that that is somewhat high.

Senator **Montoya**. That is what happened with all the Head-Start programs and all the Community Action programs, everything was for overhead, so that these people could go out and ride in new cars and smoke cigars, and wear double-breasted suits, and people were not getting anything.

Mr. DORLAND. I would submit that Thomas Trujillo, the State director of adult education in New Mexico, does not smoke those cigars or have those big cars.

Senator MONTOYA. We have very dedicated people in New Mexico.

Mr. DORLAND. Yes, you do.

Another new responsibility the States have is for bilingual education for the first time in adult education. My point is simply this. It is all well and good for the States to receive the authority, but if the amount of money is the same, which essentially it is, then this is really detracting from programs.

So, we are suggesting very simply that 15 percent of that $67.5 million be added for research and demonstration and teacher training, and another 5 percent for the State administration. We are not suggesting that we go above the 5-percent limitation. We are not suggesting that at this point, except that we feel that the law is very clear in saying that it has further authorized to be appropriated 5 percent for these purposes. Our testimony shows that.

Senator MONTOYA. There is some element of justification, in fact, quite a bit of justification for placing a ceiling on administration. I know that in vocational education—I have been very interested in vocational education—many of the States were already engaged in vocational education, but in a limited way—sewing projects in the school, cooking and so forth—domestic science. When these vocational funds started going into the States, these schools started dipping into the Federal vocational funds and withdrawing their State funds for domestic science. That is the way they were building up the allocation and developing justification, and developing also in their applications these programs they were bringing in, the all basic programs, into the vocational training spectrum. Thus, there was little new vocational training going into those schools; they were doing the same thing but getting Federal funds.

I saw that in New Mexico and I started stopping it, because we needed some new skills in vocational education and we were not getting them. So, I think that HEW is wise in trying to oversee these programs and enact such legislation that will be a deterrent to misuse or misapplication of these funds in the name of whatever objectives in the law.

Mr. DORLAND. I would agree completely.

I would also submit that the adult education program, as has been administered, has been one of the most prudent of all of the federally funded education programs.

I represent the National Association for Public Continuing Education and two subgrounds, our affiliate State Directors of Adult Education and Urban Administrators. My colleague who is with me now, Charles Wood, represents some other constituents, and I would like to give him an opportunity.

Senator MONTOYA. Let me give you another example.

I happen to chair the Economic Development Committee of the Public Works Committee of the Senate. I provided for some grant authority and also funding for the building of vocational schools all over the country. Many have been built because of that act. I prevailed upon the EDA, the administering agency, in its contracts with the local school districts, that they provide for adult education, because the schools were very hesitant in extending their programs to adults. So, in New Mexico, we have adult education and we opened these vocational schools in the evening. Otherwise the local school administrators would not have done it. In fact, they fought us.

I presume you are having that trouble all across the country.

Mr. DORLAND. I think that is true.

Later on today you will hear from community educators who are certainly very much in favor of utilizing schools to the maximum extent. We in adult education have been doing that.

I might mention something that perhaps you do not know, and that is perhaps when adult basic education was enacted in the Economic Opportunity Act of 1964, as title II–B, for the first year, there was no money for teacher training. So, the following year there came some money. But the Ford finance helped finance institutes during the summer of 1965. The first one was held at the University of New Mexico in Albuquerque, the first national teacher training institute in adult basic education in June 1965. There have been several in the past decade. We think the record for adult education speaks for itself.

Every State now has active leadership in the State department of education. Some 50 or more universities are engaged in full-time masters and doctoral training programs, and it is a partnership. The Federal Government is not carrying the full load.

However, statistics will show that is a functioning partnership between Federal, State, and local, and that the States are probably spending about twice as much money as the Federal Government is. On the ratio of $1. perhaps 50 cents is State money, 25 cents is Federal, and 25 cents is local money.

Senator MONTOYA. I commend you for taking an interest in this, and I think it is very vital.

Mr. DORLAND. Thank you very much.

ADULT EDUCATION

STATEMENT OF CHARLES B. WOOD, ADULT EDUCATION ASSOCIATION OF THE U.S.A., AND THE COALITION OF ADULT EDUCATION ORGANIZATIONS

PREPARED STATEMENT

Senator MONTOYA. I would like Mr. Wood to make a statement.

Mr. WOOD. OK. I will be very brief.

I have submitted a written statement.

Senator MONTOYA. It will be inserted in the record at this point.

[The statement follows:]

My name is Charles Wood. I'm here representing the Coalition of Adult Education Organizations as its Legislative Chairman and the Adult Education Association as its Executive Director. The Coalition of Adult Education Organizations consist of some sixteen national organizations that have a continuing interest in expanding educational opportunities for adults. The Coalition includes professional associations such as the Adult Education Association, as well as broad based membership groups such as the National Council of Churches.

The Adult Education Association, which I am privileged to represent as its Executive Director, will be celebrating its 25th anniversary during the Bicentennial Year. Approximately one-fourth of our membership are directly involved in programs funded in part by the Adult Education Act of 1966 as amended in 1974. However, I can assure you that our entire membership, whether engaged in cooperative extension, university extension, training for business and industry, or worker education--to cite three of the many varieties of adult education engaged in by our members--fully support the concept that the federal role in providing adults with the opportunity to secure a basic education through high school is extremely important. They firmly believe that the present level of federal support of such efforts is woefully inadequate.

The other two witnesses, Dr. Gary Eyre and Dr. James Dorland, make a very persuasive case for a substantial increase in the level of appropriations for FY 1976. I will not take any more of your valuable time restating the facts which they have provided you. I will take a few moments to highlight two or three matters which I do feel deserve particular emphasis.

RESEARCH AND STAFF DEVELOPMENT

First, as has been previously stated, the responsibility for research and training which formerly was performed at the federal level is now--as a result of the Education Amendments of 1974-- mandated to the states with the states required to spend no less than 15% for this purpose.

The organizations I represent today have consistently supported the concept that program funds can only be maximally effective if there is built into the program a fiscal base for research and staff development. Although we supported the retention of this responsibility at the federal level, we accept the fact that it has now been given to the states. However, we are disturbed that even though the responsibility has been given to the states, no additional funds were provided for the exercise of this responsibility.

Consequently, we strongly urge the committee to increase the current level of appropriation of 67.5 million dollars by 15%, or an additional 10.125 million dollars to be used by the states to carry out the responsibilities mandated to them in section 309 of the Act.

ADMINISTRATIVE COSTS

Secondly, we fully support an increase of 3.881 million dollars in the current level of appropriations to adequately underwrite administration of this program in each state.

In summary, the Coalition of Adult Education Organizations, and the Adult Education Association of the USA, urge this committee to recommend to the Senate an appropriation for fiscal year 1976 of 81.506 million dollars for the Adult Education Act.

We fully understand that this level of funding is still far short of the amount authorized, and more importantly represents an even greater shortfall than the amount which is required if the purposes and objectives of the Adult Education Act are ever to be achieved. However, at the same time, I appear before you as a representative of two responsible organizations, and am making a plea for a level of appropriations which, while far from adequate, will at least permit the states to fulfill their basic responsibilities under the Act in FY 1976.

In conclusion, we feel that there are an infinite variety of educational needs to which this nation needs to address itself in the years ahead. Every demographic indicator suggests that at least in the immediate future, we will be experiencing a rising percentage of our population in the adult category and a declining percentage of our population in the youth category.

This fact, coupled with other phenomena such as the rapidity of technological change, the problems of energy, conservation, increased amounts of leisure time, and other societal changes, makes it imperative that government at all levels, but most importantly at the federal level, evidence a real commitment to attempting to meet the educational needs of adults in their totality. We also recognize that the basic and fundamental educational needs of adults which the Adult Education Act is addressed to, must be met if the more sophisticated and complex educational needs of adults are to be met.

We appreciate the opportunity to appear before you today on behalf of adult educators working in a variety of institutional settings and attempting to meet a variety of adult education needs but who are united in support of a much more adequate level of funding in FY 1976 for the Adult Education Act. We also appreciate the support this Committee has given to adult education in the past, including forward-funding for FY 1976. We are confident that our requests here today merit your support as you review appropriations for the coming fiscal year.

Thank you.

Mr. Wood. I am here representing the Adult Education Association as legislative champion for a coalition of adult education organizations which consists of some 16 national groups that have come together in support of adult education. Across the board they take a particular interest in funding of the Adult Education Act of 1966, as amended in 1974. The combined constituence represented within the coalition exceeds some 20 million people.

I do want to highlight just two things my colleague Jim Dorland has indicated concern about, and also Dr. R. Ladle will talk about, that we are vitally interested in.

One is we feel very keenly and have supported for a long time the concept that no program can be effective, and educational programs certainly, unless there is built into that a funding base for providing research and staff development. So, we do support an increase in the amount of funding currently appropriated for fiscal year 1976 to the extent of 15 percent of the total already appropriated, to be used for research and staff development at the State level.

Second, we certainly recognize the problems that are now inherent in the allocation of Federal funds in each State, with the severe limitation on the amount of funds available for administrative costs, and we do support the proposition put forward by Dr. Dorland, that the amount currently appropriated be increased by 5 percent to relieve some of the burden that exists in that particular area.

We feel very keenly that this level of funding, if appropriated to fiscal year 1976, still falls short of the amount authorized. More importantly, it represents an even greater shortfall from the amount that is required if the purposes and the objectives of the Adult Education Act are ever to be achieved.

In conclusion, we feel that there are an infinite variety of educational needs to which this Nation needs to address itself in the years ahead. Every Democrat would suggest that in the immediate future we will be experiencing a rising percentage of our population in the adult category, and a declining percentage of our population in the youth category.

This fact, coupled with other phenomena, such as the rapidity of technological change, the problems of energy conservation, increasing amounts of leisure time, and other societal changes makes it imperative that government at all levels, but most importantly at the Federal level, evidence a real commitment to attempt to meet the educational needs of adults in their totality.

We appreciate the opportunity to appear before you today, and we appreciate also the support that this committee has given to adult education in the past, including forward funding of adult education for fiscal year 1976. We are confident that our requests here today merit your support as you review appropriations for the coming fiscal year.

Thank you.

Senator Montoya. How would this money be used for adult education now. Categorize the use of it.

Mr. Dorland. All the money will go to the States on a funding basis, with a $150,000 minimum for each State. But the entire amount goes from the Federal Government to the States. Each State writes a State plan, draws up a State plan, in which it assesses the needs within that State. Then it is on a 90-percent Federal, 10-percent State-local matching basis. Then the programs are administered primarily through a local educational agency, generally the public schools or community colleges or whomever, and the programs—the State must show that its needs in basic education have been met. To the extent that they have been met, then it is permitted 20 percent of its funds for adult high school education, enabling people to complete high school.

It is a program of basic education for adults through the high school level. No tutition is charged.

Senator MONTOYA. In other words, $150,000 goes to each State, and then, out of the remaining funds, there is an additional allocation to the States pursuant to certain formula.

Mr. DORLAND. Yes, sir.

Senator MONTOYA. That is the way they are administered?

Mr. DORLAND. Yes, sir.

Senator MONTOYA. Are there any restrictions on the States as to how they use these funds?

Mr. DORLAND. Yes.

Senator MONTOYA. They have to submit a plan, I know.

Mr. DORLAND. They have to submit a plan. It must be for people who are at least 16 and out of school, not being served by a school. There can be no tuition charged toward the individuals enrolled in the program. It must be tuition free.

Senator MONTOYA. What kind of oversight do you have on the expenditure of these funds?

Mr. WOOD. The office of education and technical education basically has the responsibility. Also, as Jim has indicated, up to 20 percent can be used for high school, but no more than that. A minimum of 15 percent has to be used for research and staff development, and a maximum of 5 percent, still 5 percent, yes, for administrative costs.

Mr. DORLAND. And there is a national advisory council from whom you will be hearing, with a function—I would not call it oversight, per se, but they are to assess the effectiveness of the program. There is also permitted in the new legislation the establishment of State advisory councils on adult education. But, to be very honest, there are not going to be very many of those created, because they have to come out of that 5 percent State administrated funds, and there just is not enough.

STATE RECEIPT OF FUNDS

Senator MONTOYA. Would you provide a table for the record as to how much each State is receiving under this year's appropriation, and for what purposes?

Mr. DORLAND. Yes, sir.

[The information follows:]

Occupational, Vocational, and Adult Education
Adult Education - Grants to States

State or Outlying Area	1974 Actual[1]	1975 Estimate[2]	1975 Revised [3]	1976 Estimate [2]	1976 Adv. for 1977 [2]
TOTAL	$53,286,000	$67,500,000	$63,319,000	$67,500,000	$67,500,000
Alabama	1,353,606	1,344,029	1,263,576	1,344,029	1,344,029
Alaska	177,747	190,565	179,139	190,565	190,565
Arizona	449,566	518,766	487,692	518,766	518,766
Arkansas	785,866	827,612	778,071	827,612	827,612
California	3,415,416	4,517,430	4,247,017	4,517,430	4,517,430
Colorado	479,806	601,561	565,533	601,561	601,561
Connecticut	704,766	951,493	894,537	951,493	951,493
Delaware	239,449	274,483	258,052	274,483	274,483
Florida	1,561,101	1,786,037	1,679,125	1,786,037	1,786,037
Georgia	1,713,940	1,570,391	1,476,388	1,570,391	1,570,391
Hawaii	272,771	312,647	293,932	312,647	312,647
Idaho	260,259	320,090	300,929	320,090	320,090
Illinois	2,342,597	3,529,037	3,317,789	3,529,037	3,529,037
Indiana	1,156,189	1,626,206	1,528,862	1,626,206	1,626,206
Iowa	646,525	951,736	894,765	951,736	951,736
Kansas	528,113	763,952	718,222	763,952	763,952
Kentucky	1,168,538	1,325,422	1,246,082	1,325,422	1,325,422
Louisiana	1,599,212	1,439,291	1,353,135	1,439,291	1,439,291
Maine	328,729	447,165	420,379	447,165	447,165
Maryland	908,974	1,159,714	1,090,294	1,159,714	1,159,714
Massachusetts	1,146,761	1,706,542	1,604,389	1,706,542	1,706,542
Michigan	1,849,308	2,625,728	2,468,552	2,625,728	2,625,728
Minnesota	793.887	1,153,991	1,084,913	1,153,991	1,153,991
Mississippi	1,054,166	948,731	891,940	948,731	948,731
Missouri	1,139,299	1,674,712	1,574,464	1,674,712	1,674,712
Montana	257,088	325,781	306,280	325,781	325,781
Nebraska	392,965	542,844	510,349	542,844	542,844
Nevada	211,517	212,470	199,752	212,470	212,470
New Hampshire	268,997	330,025	310,270	330,025	330,025
New Jersey	1,588,290	2,209,212	2,076,969	2,209,212	2,209,212
New Mexico	344,103	402,261	378,182	402,261	402,261
New York	3,851,674	5,925,791	5,571,074	5,925,791	5,925,791
North Carolina	1,898,912	1,780,990	1,674,380	1,780,990	1,780,990
North Dakota	257,965	334,999	314,946	334,999	334,999
Ohio	2,216,061	3,248,160	3,053,726	3,248,160	3,248,160
Oklahoma	665,856	910,306	855,815	910,306	910,306
Oregon	502,665	650,442	611,507	650,442	650,442
Pennsylvania	2,634,898	4,105,003	3,859,278	4,105,003	4,105,003
Rhode Island	348,369	451,990	424,934	451,990	451,990
South Carolina	1,190,918	1,071,826	1,007,667	1,071,826	1,071,826

	1974 Actual1/	1975 Estimate2/	1975 Revised3/	1976 Estimate2/	1976 Adv. for 1977 2/
South Dakota	264,081	344,287	323,678	344,287	344,287
Tennessee	1,403,582	1,491,557	1,402,273	1,491,557	1,491,557
Texas	3,205,110	3,281,437	3,085,010	3,281,437	3,281,437
Utah	282,545	338,150	317,908	338,150	338,150
Vermont	215,763	257,409	242,001	257,409	257,409
Virginia	1,436,435	1,489,781	1,4[illegible],403	1,489,781	1,489,781
Washington	684,134	916,988	862,037	916,988	916,988
West Virginia	613,710	835,680	785,656	835,680	835,680
Wisconsin	954,079	1,381,265	1,298,583	1,381,265	1,381,265
Wyoming	190,514	222,750	209,416	222,750	222,750
District of Columbia	285,764	374,932	352,489	374,932	374,932
American Samoa	42,629	79,863	50,655	79,863	79,863
Guam	74,601	139,762	88,647	139,762	139,762
Puerto Rico	820,604	1,037,200	975,113	1,037,200	1,037,200
Trust Territory	85,257	159,727	101,310	159,727	159,727
Virgin Islands	42,629	79,863	50,655	79,863	79,863

1/ Distribution based on 2 percent reserved for outlying areas and the balance distributed with a basic amount of $150,000 and the remainder distributed on the basis of those 16 year of age and over without a certificate of graduation from high school with no State receiving less than it's FY 1972 allotment. Population data as of 4/1/70.

2/ Estimated distribution of funds based on 90 percent of FY 1973 grant amount

3/ Estimated distribution prorated from 90 percent of the FY 1973 grants amount.

FUNDS FOR OLDER ADULTS

Senator **Montoya**. How much is spent on older adults, 45 years and up? Do you have that figure?

Mr. **Dorland**. I do not have that figure.

Senator **Montoya**. Can you supply it and submit it for the record?

Mr. **Dorland**. Yes; I will.

[The information follows:]

[**Committee note**: The Department did not supply the requested information.]

BENEFITS TO YOUNGER AGE GROUP

Senator **Montoya**. It is my understanding that not very much was spent for this particular group.

Mr. **Dorland**. It has been essentially a program for people of a younger age.

Senator **Montoya**. We have the table here, and it appears on page 200 of the justifications. Let me look in my State, here.

[Pause.]

Senator **Montoya**. Thank you, gentlemen.

Mr. **Dorland**. Thank you.

Mr. **Wood**. Thank you.

American Educational Research Association

STATEMENT OF DR. WILLIAM RUSSELL, AMERICAN EDUCATIONAL RESEARCH ASSOCIATION, THE NATIONAL INSTITUTE OF EDUCATION

PREPARED STATEMENT OF ROBERT L. THORNDIKE

Senator Montoya. Mr. Bill Russell, the National Institute of Education? Are you a doctor?

Dr. Russell. Yes; I am.

Senator Montoya. I will call you Doctor, then, for the record.

Dr. Russell. Dr. Thorndike, the president of the association had planned to submit a statement, and this is his statement, I believe, that you have in front of you.

Senator Montoya. It will be made a part of the record.

[The statement follows:]

Mr. Chairman and Members of the Sub-Committee:

I am the president of the American Educational Research Association. The 12,000 members of AERA include economists, political scientists, sociologists, psychologists and historians as well as educators, and constitute the main personnel resource for educational research and development in the United States. I appear as their spokesman in support of the National Institute of Education. However, I would like to mention that last year 15 national education associations* issued a joint statement strongly supporting the National Institute of Education. That statement concluded that "the future of education will be increasingly difficult. We will need the intellectual and financial resources of the National Institute of Education to help chart the way". Thus a broad spectrum of the educational community is vitally interested in the maintenance of an effective and continuing educational R & D effort in the Federal Government.

A lack of clear focus and of continuity appears to me to have been one of the serious problems in the Federal R & D effort in education in the past. With changing personnel and organizational structures, programs of research have not been carried through to the stages of product development, dissemination and implementation. Particularly for this reason, the educational research community has sponsored the concept of a National Institute of Education. We were optimistic that NIE would provide the essential elements of stability, continuity, focus and adequate funding.

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*The statement was issued by the following: American Association of Colleges for Teacher Education, American Association of School Administrators, American Council on Education, American Educational Research Association, American Federation of Teachers, American Psychological Association, Association for Supervision and Curriculum Development, Association of Colleges and Schools of Education in State Universities and Land-Grant Colleges, Council of Chief State School Officers, Council on Educational Development and Research, Education Commission of the States, National Association of Elementary School Principals, National Association of Secondary School Principals, National Education Association, and National School Board Association.

Unfortunately, due to a variety of circumstances, this stability has not been provided to NIE during its initial three years. Consequently, NIE has barely had an opportunity to demonstrate its effectiveness as an agency to provide leadership and focus for the educational R & D community. It is our hope in AERA and in the educational community that NIE will be funded at a level that will provide both continuity for desirable existing programs and for new initiatives to attack the complex problems in American education. To this end, we support an appropriation of $100 million. Such a level of funding represents less than one tenth of one percent of the national expenditures for education. Certainly, federal support for educational R & D at such a meager level represents a worthwhile investment.

Professor Paul Mort, an early investigator of educational change and innovation, some 40 years ago, arrived at 30 to 40 years as the typical time lag between a psychological "discovery" and its general implementation in educational practice. Such a finding documents the need for more effective channels to disseminate advances in theory and their implementation for the classroom. But we do have accomplishments. Just recently, for example, the Council for Educational Development and Research (CEDaR) compiled a directory of products produced by its member institutions, the educational laboratories and R & D centers. The directory describes 100 products developed, tested, and installed by these institutions in schools throughout the country and lists the more than 3,500 U.S. cities where these products are in use.

In addition to these programmatic results, I would like to take a moment to illustrate some of the contributions of the R & D effort to education during the past decade, supported in considerable measure by federal funding:

1. Detailed analyses of the steps in basic learning of language and number skills, resulting in

(a) programs for individualized and self-instruction,

(b) research-tested instructional packages, and

(c) sequences for computer-assisted instruction.

2. Curricular materials developed by subject-matter experts (as in physical or biological sciences) that have been systematically evaluated in their practical application.

3. Demonstrations of the application of reward and reinforcement schedules to classroom management in such a way as to improve classroom conduct and academic achievement.

4. Development of procedures for micro-teaching and video-feedback to improve the instructional skills of teacher trainees.

5. Assessment procedures tailored to specific and defined objectives of educational programs, permitting a targeted evaluation of the extent to which these objectives are being achieved.

6. Longitudinal studies of educational and work careers that make it possible to provide realistic guidance to young people in their educational and career decisions.

7. Studies in competency based certification that emerged as the result of growing citizen concern over the gap between the nature and content of existing graduation requirements and the realities of contemporary life that students would have to cope with as adults.

The above represent a few nominations by a single person. Others, who have contact with other aspects of R & D, would certainly expand the list. However, the significant point is that educational research and development currently affects hundreds of instructional programs, materials and processes involving millions of students and teachers in the United States.

As in the past, future R & D contributions can be expected to lead to gradual improvement, rather than quantum jumps in effectiveness. Until recently it has been difficult to put a dollar value on a better educated public. However, in a study commissioned by Senator Mondale's Select Committee in 1971 the costs to the nation of an inadequate education were analyzed by Henry Levin. One of the major findings of Professor Levin's research was "the sacrifice in national income from inadequate education among 25-34 year-old males was about $200 billion greater than the investment required to alleviate this condition." In addition, the study determined that welfare expenditures and the costs of crime attributable to inadequate education were approximately 6 billion dollars a year and rising.

I submit, therefore, even a small gain in the effectiveness of the educational enterprise as a result of research and development in a $100 billion annual enterprise would seem well worth the investment.

Thank you for your kind attention. I would be pleased to entertain questions.

STATEMENT SUMMARIZED

Dr. **Russell.** I would like to take about 60 seconds or so to summarize his comments?

Senator **Montoya.** You may do so.

Dr. **Russell.** Speaking on behalf of the American Educational Research Association, as a part of NIE, I would like to mention that although it is principally as their spokesman that we appear, last year 15 national associations did support and issue a statement of strong support on behalf of the National Institute of Education.

Dr. Thorndike's comments briefly indicate some of the problems of which I believe you are all aware in the past, which have really been a lack in continuity of the Federal effort in support of educational research and development.

I would like to mention that the level of funding that is being requested for NIE represents less than one-tenth of 1 percent of the total national expenditures for education.

In comparison with industry standards, I think you would agree that that is very meager, indeed.

Senator **Montoya.** We are trying to find out what this baby is going to do for us.

Dr. **Russell.** I understand. That is the problem. That is exactly——

Senator **Montoya.** You are spoon-feeding it now?

Dr. **Russell.** I would agree, very much so. What we have done in the past is, I know, a concern of Congress in the past. Dr. Thorndike has indicated from his perception some of the points that we think the contributions of educational R. & D. have done in the past.

TESTED PRODUCTS

One specific example I would like to submit for the record is a recent catalog developed by the Educational Development and Research Council that documents 100 products that have been tested and installed in over 3,500 cities in the United States. I think that is one small example of the contribution of research.

[The information was received for the subcommittee files.]

ADMINISTRATIVE PROCESSES

Dr. **Russell.** In the concluding part of this statement, he indicates seven other very specific areas of——

Senator **Montoya.** You mean by way of curriculum?

Dr. **Russell.** It is largely curriculum, but not exclusively. There are administrative processes—how do you bring change about in a school? What are the factors that must be there? et cetera.

And I think that that speaks for itself. But it is easy to document similar cases in other areas, but the main point is the contributions of research are not likely to be great in terms of a monumental increase, but they are gradual. They have been gradual over the past, but very steady. And we look forward to contributions of research in the future.

That really is the essence of Bob's testimony, and I would be glad to entertain any questions.

Senator **Montoya.** Thank you very much, Doctor.

STATEMENT OF HARRY W. RIEMER, CHAIRMAN, NATIONAL STEERING COMMITTEE FOR HIGHER EDUCATION COMMUNITY SERVICE AND CONTINUING EDUCATION PROGRAMS

ACCOMPANIED BY JOHN CAVAN, ASSOCIATE DEAN OF THE ATLANTIC COMMUNITY COLLEGE OF NEW JERSEY

PREPARED STATEMENT

Senator Montoya. Now we will hear from Mr. Harry Rimer or Riemer?

Mr. Riemer. Riemer.

Senator Montoya. Higher Education Community Services.

Your statement, as submitted, will be made a part of the record. You may proceed to summarize it, sir.

[The statement follows:]

Mr. Chairman, distinguished Committee Members: On behalf of the 55 "State" program administrators of Title I of the Higher Education Act of 1965, I would like to express appreciation for the opportunity of appearing before your Committee. I would like to speak for a program in which I can say, unequivocally, that the federal government and our tax-paying American citizens have received more "out-put" value for federal funds invested than from any federal education program, past or present.

Communities today are faced with a vast array of physical and human conditions requiring the assistance of higher education in strengthening community resources and in working toward solution of problems associated with economic stability, energy resources, environmental quality, governmental leadership, housing, and many others.

The potential activity and contributions of post-secondary education institutions to the alleviation of such pressing national problems is unique. With the "college" and the community in partnership it is possible to assemble the contributions of the specialized disciplines into more rational patterns for dealing with the range of community problems.

NATIONWIDE PERSPECTIVE

To date, the Higher Education Title I program has made possible the active participation of more than 1200 post-secondary educational institutions in cooperative community service activities. About 9600 faculty members have been involved in the program. More than $50 million matching has been provided by the States over the life of the program. Eighty to ninety percent of these matching monies were provided by post-secondary education institutions. In FY 1974, more than 700 institutions were assisted by Title I (HEA).

With the increased appropriations in 1973, and continued in 1974, two hundred and eleven (211) institutions participated in Title I for the first time. These 211 included: 29 four-year public; 112 two-year public community colleges; 61 four-year private institutions; 7 two-year private institutions; and 2 professional institutions.

There has been a marked increase in the number of community colleges participating in Title I. The number of two-year public community colleges increased from 38 in 1967 to 236 in 1973. In 1973, a total of 162 new institutions entered the program for the first time.

HEA Title I continues to serve as the best example of effective Federal-State teamwork in strengthening the continuing education-community service capability of post-secondary education institutions, and in providing problem-solving assistance to our communities. One of the significant aspects of this program is its ability to provide a timely response to immediate and pressing national, state and local concerns and problems. An example of this response was evidenced in 1974 when five states funded projects dealing with energy conservation and energy policy matters.

STATE AND LOCAL PERSPECTIVE

Due to the constraints of time, I will be unable to present a detailed account of the HEA Title I developments in each state and locality. However, a brief summary of the highlights of two states will provide this Committee with a better perspective of how Title I has served the States of Pennsylvania and Georgia.

During the 10 year life of the University Community Service program in Pennsylvania, 48 different colleges and universities have shared in approximately $4 million in funds to provide 238 community service projects across the state. These projects have attacked the full range of community ills, from consumerism and unemployment, to the revitalization of a virtual ghost-town to provide new industry and jobs. This latter venture, begun in 1972, and now nationally known as the Stump Creek Project, is an example of the catalytic action that takes place through HEA Title I. Federal, State, and local government were pulled together to work cooperatively with private industry, community organizations, private foundation sources of funding and expertise provided by Clarion State College of Pennsylvania and the Institute of Man and Science in New York. These agencies and institutions are still working together in this five-year program to regenerate all of the human services which have either ceased to exist or which never existed in the first place. The thinking and planning do not stop with the rebirth of a single town, but envision the Stump Creek experience serving as a model for replication and the revitalization of similar depressed towns across the nation.

The colleges of Pennsylvania have overmatched the federal dollars to the extent of $3.5 million and new delivery systems have been put into place to accomplish the objectives of the program. However, without the federal support which has been the life-blood in strengthening this commitment, the effort would surely die -- not from lack of desire, but simply from a dollar-and-cents reality.

Through the support of HEA Title I the number of Georgia institutions of higher education participating in community service has increased from only four in 1966 to more than forty in 1975.

Educational programs under HEA Title I have been conducted in: (a) long range planning for the development of coastal Georgia (land use planning); (b) developmental programs for volunteers in social services; (c) adult development and aging programs designed to equip individuals to work more effectively with the increasing population of older adults; (d) educational programs designed to revitalize small-town economic activity; (e) upgrading the occupational competency of professional and para-professional personnel in state government agencies. These programs are illustrative of attempts of our institutions of higher education to assist communities in solving problems. The amount of available funds has been minimal, but the impact has certainly been measurable. These beginning efforts have not alleviated the need for continuing such programs.

As a result of program funds provided by HEA Title I, there are presently more than 20 CSCE programs in Georgia funded or supported from other sources which were initially supported by and implemented with Title I funds.

In Georgie, HEA Title I has resulted in the creation of partnerships in problem-solving between the colleges and communities participating in the program. HEA Title I has been instrumental in developing community service as a major function in a majority of Georgia's institutions of higher education.

Appended to this statement, with the request that they be included for the record, are examples of innovative continuing education-community service activities which will serve as illustrations of HEA Title I programs conducted in several states. These examples present evidence that HEA Title I has increased "college"-community cooperation in planning and conducting activities directed toward specific community problems.

HEA Title I has effectively served as a catalyst, providing a basis for interaction between communities and postsecondary education institutions in a combined community problem-solving effort. This kind of effort will cease in a majority of states if federal support does not continue.

PROGRAMS FOR OLDER AMERICANS

Several states have utilized HEA Title I funds to initiate programs designed to support educational programs dealing with problems associated with aging. These programs have provided evidence that higher education in concert with community groups has excellent potential for alleviating many of the problems of the elderly. However, funds to support a wide range of educational programs for older Americans and the service personnel who work with them are not available from existing sources.

The amendments to the Older Americans Act in 1973, expanded the Community Service and Continuing Education Program (Section 110) to authorize grants to institutions of higher education for the planning, development and implementation of "programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and housing problems of elderly persons living in rural and isolated areas."

The funding of this authority will be a significant step towards the goal of a comprehensive Federal-State educational program for the elderly. We therefore recommend a start-up appropriation of $3 million to initiate this experimentation and demonstration program. Adequately funded pilot and demonstration projects, as were authorized, will achieve their objectives, and will also stimulate the states to initiate similar programs.

NATIONAL REVIEW AND EVALUATION

The National Advisory Council on Extension and Continuing Education was authorized by the Education Amendments of 1972 to engage in a review and evaluation regarding the HEA Title I program. The Third Interim Report to the Congress regarding the impact of Title I stated, "The most readily documented benefits of Title I projects are the effects they have had upon grantee institutions. As a direct result of Title I involvement, many institutions have created a Division of Continuing Education, a new department, a new curriculum or a series of new courses. In addition to these structural changes, there was evidence that faculty involvement in Title I produced insights and experiences which led to better educational offerings on the campus and to more informed research and writing." Further, the report concluded, "What has been singularly impressive in the states reviewed to date has been the enthusiasm for Title I as a means of stimulating unique programs through inter-institutional arrangements. Administrators and project directors have uniformly insisted that many endeavors in their states would not have occurred nor would certain opportunities to share and pool institutional and community resources have taken place without the impetus of Title I. The frequency of such positive testimonials indicates that Title I is perceived as a critical agent in promoting and extending the community service/continuing education goals of many post-secondary institutions."

This congressionally mandated study will dilineate and provide an analysis of the "facts" for the Congress to consider in making its assessment of the need for and the value of federal support for Community Service and Continuing Education.

SUMMARY

We have proven conclusively that the intent of this legislation has been met -- that post-secondary education institutions and state agencies which we represent -- can redeploy or reallocate our educational resources to assist communities in the amelioration of community problems. But, we are equally convinced that this continued thrust can be maintained only through Federal initiative. These national problems which HEA Title I continues to address require Federal support matched by State and educational institution "hard cash." Economic conditions are such at the State level that most States could not assume total responsibility for the program. Local communities, and above all, post-secondary educational institutions would be unable to support the total effort. The loss of Federal support would result in the rapid atrophy of a smoothly functioning and effective delivery system of service to communities whose needs are now greater than ever.

Title I, the community service and continuing education program, is the only Federal progra, specifically designed to involve our higher educational institutions in the real problems of our communities. It is also the only Federal program which offers a degree of support to the adult part-time student -- a long overlooked and rapidly expanding segment of the educational community. HEA Title I combines three forces -- communities, faculties and students -- to provide a highly effective instrument for dealing with concerns of American communities. Failure to refund this program at the minimum growth level of $20 million will create an unacceptable alternative which our society can ill afford.

To meet the current plans and needs of colleges and communities, an FY 1976 appropriation of $28 million would better assist the States to continue providing high-quality and effective programs geared to State and local identified needs. With $3 million of this sum allocated for Section 110 of the Older Americans Act (1973), we could make a more significant contribution to the improvement of the quality of life for our older Americans.

Pennsylvania

Project: Establishment of a Community Services Center

Sponsor: Community College of Allegheny County, North (Pennsylvania)

Director: Ms. Joan W. Murdoch
Community College of Allegheny County, North
111 Pines Plaza, 1130 Perry Hwy., Pittsburgh, PA. 15237

Duration: Fiscal years 1973 and 1974

Funding: (Federal) $58,677; (Matching) $29,337 -- 33% of total

Summary: The project assisted a newly established community college to begin a continuing education program which would serve the community problems of the Northern Allegheny County area.

Problem: The Northern Allegheny County area lacked access to community service educational programs. Until the establishment of Allegheny Community College there was no local educational institution which could marshall the resources and expertise of government, industry, various service organizations, agencies and colleges to develop appropriate community service educational programs. The project was designed to establish community service as a permanent feature of the College through a center that would respond to the area's needs and help the community coordinate its problem-solving resources.

Activity: The Center was set up to serve local government agencies and community organizations. It served 3,257 participants during its first two years. Participants were selected who were trying to solve community problems as volunteers, agency employees, hospital staff members, or teachers. Most of the programs of the Center involved such activities as problem identification, planning, program development and evaluation. Since all participants were directly associated with an agency concerned with problem-solving, training and skill development programs were related directly to immediate agency problems.

Results: The project's programs included training and development of volunteers and staff for agencies which work with the aging, a short course for parents of disabled children which used the combined resources of several agencies serving children; and the retraining of inactive registered nurses for community hospitals.

Work with the aging, specifically with respect to upgrading health care delivery, has been further extended by financial support provided by the Pennsylvania Bureau of Aging.

The project has enabled the College to establish effective working relationships with 50 community organizations that previously had not been associated with the College. A 1974 Title I grant is being used to expand the services of the Center and make it a regular part of the program of the College.

Iowa

Project:	Conferences on the Future of the State of Iowa
Sponsor:	The University of Iowa
Cooperating Institutions:	Iowa State University and the University of Northern Iowa
Director:	Dean Zenor, Associate Dean C113 East Hall The University of Iowa Iowa City, Iowa 52242
Duration:	Fiscal year 1973
Funding:	(Federal) $37,730; (Matching) $20,561--35 percent of total
Summary:	Through a television program, task force reports and regional and community meetings, this project helped publicize and explain important issues that would face the State through the year 2000. The issues included economic development, energy scarcity, life enhancement, and natural resource development and protection.
Problem:	The project, Iowa 2000, focused on the major issues facing the State during the next 25 years. Prompted by a speech made by former U.S. Rep. John C. Culver, now a U.S. Senator, the State Legislature adopted a resolution asking the Governor to establish a statewide comprehensive conference on Iowa's future. The project's goals were to create statewide awareness of the trends affecting Iowa's future; to identify the major problems that the State will face; and to suggest goals and strategies for reaching the goals.
Activity:	Gov. Robert D. Ray appointed an interim planning committee made up of representatives from higher education, citizens groups, the news media, business, politics, government, and private citizens. The committee selected the issues to be considered and appointed the task forces and regional committees. Assistance was provided by other universities and businesses.

A total of 49,527 Iowa citizens attended local and county meetings and eight regional conferences, all of which were open to the public. The regional meetings selected representatives for a followup statewide conference. The local and county meetings used task force reference papers as a basis for discussing the major issues. The papers contributed to the background which regional delegates brought to the State conference.

Financial assistance for the project came from contributed television time, a state appropriation, the University of Iowa Foundation, and an indirect cost contribution by the sponsoring institution.

Results: The project produced a 1 hour television film, which is available for showings; two slide shows on Iowa; the task force background papers and final reports, and a printed final report. The State conference urged the Governor to ask the legislature to appropriate funds to continue the program in 1975-76. Iowa 2000 also is included for funding in fiscal years 1974-75 in the plans of the Iowa Board for Public Programs on the Humanities.

During the project, Iowa State University's Cooperative Extension Service provided support through its statewide network, in addition to its regular community service activities. Based on public interest in the project, the State Title I agency has made Government and Community Affairs a priority in its State plan and a factor in evaluating fiscal year 1975 project applications.

In reviewing the program, the Governor commented that "Even though these conferences have been concluded, the effort has not. For now Iowans will continue to think about the future of their State. Iowa 2000 serves to strengthen our awareness of the need to constantly consider our future, Iowa's future, and to think about our actions today in the broad context of the years and decades to come."

Wisconsin

Project: Water Quality Analysis and Public Education Program for the Lake Superior Basin in Wisconsin

Sponsor: Center for Lake Superior Environmental Studies, University of Wisconsin at Superior

Cooperating Institution: Northland College, Ashland, Wisconsin

Director: Albert B. Dickas, Director
Center for Lake Superior Environmental Studies
109 Barstow Hall
University of Wisconsin
Superior, Wisconsin 54880

Duration: May 1, 1973, through June 30, 1975

Funding: (Federal) $80,316; (Matching) $40,209--33 percent of total

Problem: The Federal Water Pollution Control Act of 1972 mandated citizen involvement in solving water quality problems. But no money was provided to educate citizens on the complexities of water pollution. The Title I project was designed to gather basic data on water quality in the Wisconsin portion of the Lake Superior Basin and to share this information with citizens and water quality planners. Through direct contact with the target groups as well as use of the news media to reach the general public, the project placed water quality data in the hands of planners and citizens.

Activity: The project provided written reports on water quality for the planning agencies. The data, gathered over two years, also were placed in a computer bank of water quality information needed by the planning community to develop water quality plans. For citizen groups, the project used a variety of tools to communicate information: slide sets, brochures, water quality booklets, group meetings, and the news media.

Results: For the first time, basic data on Lake Superior's water quality was brought to the attention of planners and citizens. Prior to the project, it was widely assumed that Lake Superior was relatively unpolluted. Now the community is aware of pollution problems. Planning agencies have used data from the project in developing water quality plans. For example, one area-wide agency used data to draft five technical reports for the agency's comprehensive water management plan.

The Title I project published 12 different documents ranging from brochures for citizen education to technical reports on water quality.

"For the university, the project led to involvement with citizen groups, government agencies, planning agencies, and other colleges and universities." The University's Vice Chancellor for Academic Affairs credits the project for the faculty's ability to work together in multidisciplinary environmental studies. The project also led to the development of two new degrees: a bachelor of science in environmental studies and a master of science in natural science.

The project stimulated $163,195 in support from four other federal agencies and one Wisconsin agency for seven related water quality studies. And the Center for Lake Superior Environmental Studies sponsored a second Title I project with six other campuses in Wisconsin, Minnesota, and Michigan to extend to other regions the continuing education program which it developed.

Washington

Project: The Planning Process: An Audio-Visual Program for Community Education in San Juan County

Sponsor: Western Washington State College at Bellingham

Director: Dr. Jack Everett
Huxley College-WWSC
Bellingham, Washington 98225

Duration: Fiscal year 1973

Funding: (Federal) $5,000; (Matching) $5,000-50 percent of total

Summary: The project involved community residents in studying and planning land use problems associated with a rapid growth in population. Through public involvement, a Shoreline Management Comprehensive Plan was completed and submitted to the State.

Problem: Rapid population growth had led to the need for land use planning on the islands which make up the county. No mechanism existed for informing citizens about land use problems, and native residents and elected officials were generally opposed to the concept of land use planning.

Activity: New residents in the county asked the college for help in developing a land use plan. The project was designed so all participants would learn about land use planning while they developed the comprehensive plan. About 200 members of four citizen groups took part in the project. A project planning committee was made up of representatives from the college, the county planning commission, the county commission, and citizen groups. The State Title I agency provided coordination throughout the project.

Community groups sampled public opinion about planning. Sessions were held to help residents develop goals for the future of the county. The issues facing the county were presented and clarified in a series of slide and tape programs.

Results: The project helped residents understand their county's changed economic situation, caused mainly by expanding real estate development and tourism, which in turn led to a better understanding of land use problems. Community residents took part in completing the Shoreline Management Comprehensive Plan and thus became more supportive of its requirements and recommendations.

EXAMPLE OF FEDERAL-STATE TEAMWORK

Mr. **Riemer**. Thank you, Mr. Chairman. I am Harry W. Riemer, chairman of the National Steering Committee of the higher education title I program. And with me is Mr. John Cavan, associate dean of the Atlantic Community College, in New Jersey, who will make a brief statement following my brief statement.

Mr. Chairman, on behalf of the 55 "State" program administrators of title I of the Higher Education Act of 1965, I would like to express appreciation for the opportunity of appearing before your committee, and to speak briefly for a program which continues to serve as the best example of effective Federal-State teamwork in strengthening the community service continuing education capability of post-secondary education institutions, and in providing problem-solving assistance to our communities.

Working partnerships have been developed across the Nation which have involved our colleges and the vast resources and expertise within their communities. And together they have used problem solving techniques to alleviate the myriad of problems which burden most of our communities today.

During the 10-year life of HEA title I, Federal support has made possible the participation of over 1,200 of our colleges and universities in community-oriented projects to ameliorate local ills, including housing, unemployment, impovement of local government land use, energy conservation, environmental protection, poverty, and aging, among others.

In Pennsylvania we have a unique example of a catalytic effect possible under title I. The Stump Creek project has brought together Federal, State, and local governmental agencies to work cooperatively with private industry, community organizations, private foundation sources of funding, and expertise provided by Clarion State College of Pennsylvania and the Institute of Man and Science in New York.

Together they have undertaken a 5-year program to revitalize the virtual ghost town to regenerate all of the human services which have either ceased to exist or which never existed in the first place. New industry is being brought in. New jobs are being created.

The thinking and planning behind this one example does not stop with the rebirth of a single town, but envisions the Stump Creek experience serving as a model for replication and revitalization of similar depressed towns across the Nation.

The National Advisory Council on Extension and Continuing Education was authorized by the Education Amendments of 1972 to engage in a review and evaluation regarding the HEW title I program. The final evaluation report which was submitted to the Congress on March 31, 1975, makes the following statement:

> The program is unique in serving a broad range of continuing education needs confronting citizens and their communities, and has developed a number of strategies to deal with community problems.

Further, the report concluded:

> The accomplishments of the program indicate it has the potential to accomplish the objectives for which it was established. That is, institutions are able to respond to a variety of community needs through a number of different problem solving strategies. It is truly a flexible and responsive program. Federal funds are required to aid in modifying traditional higher education missions and to provide new and stronger community service and continuing education programs.

We believe, and the national evaluation supports this belief, that the intent of this legislation has been met. Most postsecondary education institutions and State agencies which we represent can redeploy or reallocate our educational resources to assist communities in the amelioration of community problems.

We are equally convinced that this continued thrust can be maintained only through Federal initiative. These national problems which HEA title I continues to address require Federal support matched by State and educational institution "hard cash."

Economic conditions are such at the State level that most States could not assume total responsibility for the program. Local communities, and above all, postsecondary educational institutions, would be unable to support the total effort. The reduction of Federal support would result in the rapid atrophy of a smoothly functioning and effective delivery system of service to communities whose needs are now greater than ever.

Title I of the community service and continuing education program is the only Federal program specifically designed to involve our higher educational institutions in the real problems of our communities.

It is also the only Federal program which offers a degree of support to the adult part-time student—a long overlooked and rapidly expanding segment of the educational community. HEA title I combines three forces—communities, faculties, and students— to provide a highly effective instrument for dealing with concerns of American communities.

Failure to refund this program at the minimum growth level of $20 million will create a gap in the delivery of services to our communities and in assistance to adult part-time students. These are alternatives which our society can ill afford.

Senator MONTOYA. You mentioned $20 million, and our funding level for this year is $14 million.

Mr. REIMER. $14.2 million; yes, sir.

Senator MONTOYA. And the budget for the next fiscal year is zero. Do you understand that?

Mr. REIMER. Yes, sir, I understand that.

Senator MONTOYA. You are not willing to go with the President's austerity program?

Mr. REIMER. Not in the slightest.

Senator MONTOYA. OK.

I gathered from your statement that you would not.

Mr. REIMER. I am delighted.

Senator MONTOYA. Thank you very much. How about you?

PREPARED STATEMENT OF JOHN CAVAN

Mr. CAVAN. Senator, I am a practitioner in the field at the community college and I would like to bring to your attention a specific program that is delivered to a constituency within New Jersey.

I ask that my prepared statement be placed in the record.

Senator MONTOYA. Without objection it will be inserted at this point.

[The statement follows:]

Atlantic Community College was organized in April 1964 and is the second community college founded in the State of New Jersey. It is located in Mays Landing, 17 miles west of Atlantic City.

The college services Atlantic and Cape May counties with a total population of 234,000. Of the 39 municipalities in the area, 31 have less than 10,000 residents while seven communities have a population merely hovering over 10,000 each. The only large city is Atlantic City with 47,000 residents.

HIGH RATIO OF ELDERLY

It is important to note however that 23% of the area population are 60 years of age and over. They represent a large and as yet inarticulate minority. With a State average of 14%, Cape May County with 26% and Atlantic County with 23% easily rank first and second in New Jersey.

Even more striking is Atlantic City with a ratio of 31% of its population aged 60 and over. It is the municipality considered to have the second greatest proportion of elderly, next to St Petersburg, Florida.

LOW INCOME

Our two counties are also the two poorest in the State. They have a higher ratio below the poverty level than the other counties.

HIGH UNEMPLOYMENT

Both counties are primarily resort areas with practically no industry and very few large employers. These factors make for a seasonal economy and extremely high unemployment during non-summer months. They are continually listed as distressed and surplus labor areas.

POOR PUBLIC TRANSPORTATION

Recognized as a major area problem is the totally inadequate public transportation system within each county. Unless you have a car, it is next to impossible to travel.

Many of the elderly are truly isolated, and are withdrawing from society. They do not have automobiles, and cannot depend upon relatives or friends or public facilities to transport them. As a result, they have little access to desirable activity.

With isolation and increasing life expectancy, conditions develop leading to dependency and eventually the need for institutionalization. This creates more problems for the individual, and thrusts a greater burden upon the community.

A year and a half ago, Atlantic Community College decided to come to grips with this urgent and worsening social issue, and try to stem the tide and upgrade the quality of living for our numerous older residents.

SENIORS ON CAMPUS PROGRAM

Initially, we waived all tuition fees for senior adults (those aged 60 and over) on a space available basis in any of our more than 200 regular classes. These are given on our main campus and at our 3 extension centers.

As a result, about 105 seniors are presently attending our campus classes with our younger students. They have been integrated into the student body with practically no problems. They enrich the classroom discussion since they and the other students have different lifetime experiences. Generation gaps were readily bridged. Their return to education has brought many benefits according to the comments and reports received from the seniors, from the other students, and from the instructors.

The campus program was a good beginning - but only a beginning! An analysis brought to light three conditions preventing participation by many more seniors. The "space available" restriction closed out many courses in which they were interested. The campus or extension centers were not accessible since seniors had no private transportation and public facilities are inadequate. The courses at the extension centers are scheduled during the evening when many seniors prefer to remain at home.

CLASSES IN NEIGHBORHOODS FOR SENIORS

As a result, we applied for and received a grant under Title I that enabled us to establish a network of free classes at local sites throughout the area. Through our numerous contacts with the seniors themselves, they suggest the specific courses in which they are interested. These are then designed especially for them. They propose the site that will obviate their need for travel. They suggest the time slots for the classes.

In addition to the input from the seniors themselves, many organizations in the communities have become involved as all local sites have been donated. Classes are held in apartment houses, housing projects, clubrooms, churches, city buildings, senior centers, community centers, and school buildings.

During our first semester (Oct.-Dec. 1974), 743 seniors between 60 and 88 years of age participated in 27 courses given in 19 different sites. Our current semester (Feb.-May, 1975), finds 1409 elderly residents attending 41 courses in 30 different neighborhoods in 20 different municipalities.

The neighborhood program consists of the following three projects:

1. "Daily Living Issues" discussion sessions for retirees.

   These are directed toward helping the elderly find practical answers to their coping problems. Community experts are brought in to discuss Social Security, Medicare, financial planning, physical and mental health, consumer frauds, use of leisure, wills and estates, senior power, and where to turn for help. This list is expanded and modified by the students.

2. Courses for stimulation, cultural enrichment, physical fitness and leisure.

   As requested by the students, classes are being conducted in psychology for everyday living, social issues, health for seniors, Spanish, Hebrew, Italian, Music Appreciation, physical fitness, needlecrafts, oil painting, and arts and crafts.

3. Pre-Retirement Planning Courses for employed individuals, aged 50 and over, and their spouses. These introduce the potential problems confronting retirement and measures to solve or prevent them.

   This is urgently needed in our area. Too many persons fail to plans for retirement or plan too late. Since we have no large employers, practically no pre-retirement counseling goes on. Small employers do not have the interest, skill or time. And this deficiency could mean the difference between an unhappy, frustrating, and uninteresting retirement and an active, dignified and fulfilling one.

CONCLUSION

Already 1400 senior adults are participating in our neighborhood program that is merely seven months old. They inform us that the numerous and varied courses provided at local sites and during time slots convenient to them are producing many favorable benefits. They exercise their minds, increase their knowledge, improve their health, develop new skills, become more articulate, solve their daily living problems, enjoy their leisure more, and meet new friends. These will contribute toward transforming them into more active, effective, knowledgeable, happy and responsible participants in their personal activities and in the affairs of their communities.

A great deal of progress has been made by and on behalf of the 1400 participating. But there's still a long way to go in order that these activities may be made accessible to many more of the 54,000 senior adults who reside in our area. We could not have even initiated our program without the financial support of Title I. We have no where else to turn for the continuing and the expanded help the elderly residents of Atlantic and Cape May Counties need.

ADULT PROGRAMS

Mr. CAVAN. Our program at Atlantic Community College is a program for adults. We service a unique area. It is important to note that 23 percent of our area population is 60 years old—and that is in the two counties in the southern part of New Jersey, Cape May County and Atlantic County.

They represent an inarticulate minority. The State average is 14 percent, and Cape May County with 26 percent and Atlantic County with 23 percent easily ran first and second in terms of adults in New Jersey.

Atlantic City, our largest municipality of 47,000 residents, has a 31-percent population of 60 years or older. The areas we serve, basically, are the two poorest counties in the State. They are continuously listed as "distressed" and "surplus labor" areas. Just to give you a little more insight into the area, as of January, the unemployment rate within Atlantic County was 16 percent. In Atlantic City, 25 percent. And, in Cape May County, 27 percent.

There is no public transportation available in either county. With this in mind, approximately 1½ years ago Atlantic Community College decided to come to grips with offering some services to senior adults. We saw isolation and increasing life expectancies, additions developing into dependency, and additionally the need for institutionalization.

We saw this as creating problems for our area, and also a thrust of greater burden upon our community. With this in mind, we opened up our college to any of our constituencies 60 or older for any of over 200 courses at the three extension centers on the main campus, or 44 minisatellites we have, on a "space available" basis.

This was a stopgap measure that we did not feel would solve the real problems, but with this in mind we researched our area. We developed a title I proposal which was funded by the State of New Jersey, and briefly, not to take too much of your time, what the title I program does, it delivers services that the seniors in our area helped to develop at locations close to their home.

To give you an idea of their impact, for the first year of our title I grant, during our first semester of October through December, 743 seniors between the ages of 60 and 88 years participated in 27 courses given in 19 different sites. Our current semester, February through May, finds 1,409 elderly residents attending 41 courses in 30 different neighborhoods in 20 different municipalities.

Now, the scope of our program, we have a three-pronged thrust. One is daily living issues which deals with the very basic needs of the elderly Americans—social security, medicare, financial planning, physical and mental health, consumer frauds, use of leisure, wills and estates, and senior power.

We have regular, non-credit-type courses in these areas and we also have individual counselling for seniors in this area.

Our second area that we deal in is courses of stimulation, cultural enrichment, physical fitness, and leisure time activities.

The third area is the preretirement area where we work with our seniors of 50 or over in our area where we do not have many large industries or firms. There is nothing provided for people in terms of preretirement, so the college has taken this responsibility to provide this.

As you can see, with the program less than a year old, and over 1,400 people, seniors, participating, there is a great deal of mileage coming from the title I grant which is approximately ——

Senator Montoya. How much did you receive under title I?

Mr. Cavan. We received a $40,000 grant.

Senator Montoya. How much money was put up by the State and local subdivision?

Mr. Cavan. For every Federal dollar, the institution put $2.

Senator Montoya. You spent $80,000 on this program and you had 740 people from 60 to 88?

Mr. Cavan. That was the first semester. The second semester we had 1,400. We doubled.

Senator Montoya. In that age bracket?

Mr. Cavan. Yes, sir; 60 and over.

Senator Montoya. What do you teach a person 88 years of age?

Mr. Cavan. Specific courses?

Senator Montoya. How can you young fellows teach a person 88 years of age?

Mr. Cavan. Well, we have seniors teaching also. I am not teaching. We have "Psychology of Everyday Living" "Social Issues" "Health For Seniors" "Spanish" "Hebrew" "Italian" "Music Appreciation" "Physical Fitness" ——

Senator Montoya. I think he ought to teach you fellows how to last longer. [General laughter.]

Mr. Cavan. In our regular college courses where we allow seniors to go in, tuition free, they added a new dimension to our class in the college on microcosm of society for the recent high school graduates. Being a community college, we have many middle-aged Americans and also now with the advent of seniors, we have a cross section. The seniors add a lot to the course because of their experience.

Senator Montoya. You are going into group therapy.

Mr. Cavan. We have a little group therapy. We approach the generation gap and we feel it just adds a very positive dimension to the whole community process.

Senator Montoya. I am not trying to be facetious. It is very interesting.

Mr. Cavan. I think the important part out of the title I funds, we have been able to do a lot and we are second in the Nation to St. Petersburg, in terms of senior adults.

Senator Montoya. Very interesting.

Mr. Cavan. We are certainly a lot more economically deprived than St. Petersburg.

Senator Montoya. Would you list the courses in the record that you teach to these elders?

Mr. Cavan. Yes, I have a handout with me.

Senator Montoya. Fine. It will be inserted in the record at this point.

We appreciate your appearance here today, Mr. Cavan, and thank you.

[The information follows:]

ATLANTIC COMMUNITY COLLEGE
Programs for Senior Adults
Mays Landing, New Jersey 08330
Phone: 646-4950 or 625-1111, ext.279

FREE CLASSES IN NEIGHBORHOODS FOR SENIOR ADULTS

1. Select those courses listed below in which you are interested.
2. Report to the location on the day and time shown during the first week in February 1975.
3. Bring your ACC SAGES card or social security number with you.
4. For more information write, visit or phone the office noted above.

ATLANTIC COUNTY

		Classes start first week in Feb.
Atlantic City:		
Sr.Citizen Center,906 Pacific Av.	Daily Living Issues	Mon. 1-3pm.
Best of Life Park,129 S.Va. Ave.	Painting,Arts&Crafts	Fri. 1-3pm
Uptown Serv.Ctr. 27 N.Mass.Ave.	Needlecrafts	Tue. 2-4pm
Stanley Holmes Apt.,Ky. & Adriatic	Arts & Crafts	Tue. 1.30-3.30pm
Holy Spirit Church NJ & Oriental	Physical Fitness Thru Dancing	Mon. 2-4pm
WarwickApt.,Raleigh & Boardwalk	Conv. Hebrew	Tue. 10-12 Noon
	Social Issues	Thu. 2-4 pm
Brigantine:		
No. School,Evan Blvd.&Lafayette	Needlecrafts	Mon. 7-9 pm
Ventnor:		
5000 Boardwalk	Psychology	Wed. 1-3 pm
Community Bldg.,Newport & Atlantic	Health for Seniors	Wed. 2-4 pm
	Conv. Spanish	Fri. 10-12 Noon
Margate:		
Sr.Citizen Pavil.,Granville & Beach	Oil Painting	Mon. 10-12 Noon
	Daily Living Issues	Wed. 10-12 Noon
	Physical Fitness Thru Dancing	Thu. 10-12 Noon
Blessed Secrament Parish Hall 9 N. Jerome Ave.	Fundamental Drawing	Fri. 10-12 Noon
	Arts & Crafts	Mon. 10-12 Noon
Tighe School, Amherst Ave.	Conv. Italian	Wed. 7-9 pm
Longport:		
Amer.Legion Hall 33rd & Atlantic	Needle Arts & Crafts	Wed.12.30-2.30 pm
Absecon:		
United Methodist Church Church & Pitney Rds.	Daily Living Issues	Wed. 10-12 Noon

Pleasantville:		
Pville. Towers No. 140 N. Main	Arts & Crafts	Thu. 1-3 pm
Pville. Service Ctr.,119 N.Bayview Av.	Literary & Communicative Arts	Wed. 1-3 pm
Somers Point:		
Grace Lutheran Church,Shore Rd.&Meyran	Needlecrafts	Mon. 10-12 Noon
Sr. Citizen Bldg.,N. Ambler Rd.	Arts & Crafts	Mon. 2-4 pm
	Physical Fitness Thru Dancing	Thu. 2-4 pm
Mays Landing:		
ACC Gymn, Black Horse Pike	Physical Fitness Thru Golf	Fri. 12.30-2.30 pm
Minotola:		
Buena Boro Hall,Central & Railroad	Conv. Spanish	Tue. 10-12 Noon
Hammonton:		
St.Joseph Parish Hall,3rd & Pleasant	Conv. Italian	Thu. 7.30-9.30 pm
St.Joseph Parish Hall,3rd & Pleasant	Needlecrafts	Tue. 2-4 pm
CAPE MAY COUNTY		
Ocean City:		
Our Lady of Good Counsel Church 40th & Central Aves.	Daily Living Iss.	Tue. 10-12 Noon
	Arts & Crafts	Tue. 1.30-3.30 pm
Cape May Court House:		
New Hope Pentec,Church,Shunpike Rd.	Arts & Crafts	Thu. 10.30-12.30pm
County Library, Mechanic St.	Music Apprec.	Fri. 2.30-3.30 pm
Villas:		
St.Raymond'sChurch,E. Hudson Ave.	Travels Thru Holy Lands	Fri. 2-4 pm
Wildwood:		
Comm. Service Ctr.,3811 N. J. Ave.	Arts & Crafts	Thu. 3-5 pm
Lions Center Wildwood & N.J. Ave.	Travels Thru Holy Lands	Mon. 2-4 pm
Wildwood Crest:		
Pier Recr. Center,5807 Atlantic Ave.	Arts & Crafts	Mon. 2-4 pm
	Daily Living Issues	Wed. 2-4 pm
	Physical Fitness Thru Slimnastics	Fri. 2-3 pm
Cape May:		
Victorian Towers,608 Washington St.	Physical Fitness Thru Dancing	Tue. 1-3 pm

ADULT EDUCATION

STATEMENT OF DR. GARY A. EYRE, EXECUTIVE DIRECTOR, NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

ACCOMPANIED BY MS. ROBERTA CHURCH, A PRESIDENTIAL APPOINTEE TO THE COUNCIL

PREPARED STATEMENT

Senator MONTOYA. Dr. Gary Eyre? Is it "A-y-r-e" or "E-y-r-e?

Dr. EYRE. "Ayre" in the old country, Senator, I guess, and "Eyre" in this country.

Senator MONTOYA. Which is the "old" country?

Dr. EYRE. England.

Senator MONTOYA. I thought it was Ireland.

Dr. EYRE. Senator, I would like you to meet Ms. Roberta Church, who is a Presidential appointee to the Council residing in Washington, D.C., from Memphis, Tenn.

Senator MONTOYA. Your statement will be made a part of the record.

[The statement follows:]

PUBLIC LAW 91-230 (AMENDED PUBLIC LAW 93-380)—THE ADULT EDUCATION ACT

Mr. Chairman and members of the committee, the National Advisory Council on Adult Education appreciates the opportunity to appear before you today to present and discuss the fiscal year 1976 budget request for the Adult Education Act and related education thrusts.

In representing the Council today, my comments will be brief and addressed to adult education programs administered by the States under provisions of sections 304 and 305, and the State plan requirements of section 306 (Adult Education Act).

Earlier this month, the Council transmitted to the President of the United States its 1975 annual report containing target population information, 1975 recommendations, and highlights of Council activities.

On March 10, the Council provided each member of the House and Senate with copies of the annual report which explains and graphically portrays the immense educational problem faced by over 54 million American adults who have not completed their secondary education.

The Council calls your attention to this publication titled "A Target Population in Adult Education," and solicits your comment and support of its recommendations. We do not request inclusion of the document in the proceeding of this hearing. We provide it as suppport for the written and verbal testimony presented today.

The Council recognizes that advance (forward) funding for fiscal year 1976 for adult education was passed by the Congress and signed by the President in the supplemental appropriation for fiscal year 1975; however, in light of the language of Public Law 93-380, proposed rules and regulations, the intent of Congress, and legal interpretations by the U.S. Office of Education, several keys appropriation factors need the attention of this House Appropriations Subcommittee:

NO. 1

The Congress passed in section 313(b) of the Adult Education Act the following language:

"Appropriations Authorized

"SEC. 313. (a) There are authorized to be appropriated $160,000,000 for the fiscal year ending June 30, 1970, $200,000,000 for the fiscal year ending June 30, 1971, $225,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, $150,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, $175,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for each of the fiscal years ending June 30, 1977, and June 30, 1978: *Provided*, That, effective with respect to fiscal years after June 30, 1974, grants to each State under section 305 shall not be less than 90 percent of the grants made to such State agencies in fiscal year 1973, for the purposes of this title (other than sections 310 and 314).

"(b) *There are further authorized to be appropriated for each such fiscal year such sums, not to exceed 5 percent of the amount appropriated pursuant to subsection (a) for such year, as may be necessary to pay the cost of the administration and development of State plans, and other activities required pursuant to this title.* For the fiscal year ending June 30, 1970, and the succeeding fiscal year, nothing in this subsection shall be construed to prohibit the use of any amounts appropriated pursuant to this act to pay such costs, subject to such limitations as the Commissioner may prescribe."

The Council believes this language to be clear in meaning and intent. The Congress may "* * * further authorize to be appropriated * * *"

Since the inclusion of this language in the Adult Education Act, the Congress has not appropriated this additional authorized State administrative sum.

Unfortunately, and in error, the Council believes the U.S. Office of Education has interpreted this language to mean a 5-percent restriction on the expenditure of program dollars for purposes of administering the State plan, when in reality the 5 percent was to be added to State allotments, not subtracted from program dollars. This has forced the States to reduce funding programs (instructional) activities by at least 5 percent.

The Council recommends that this subcommittee explore the complex situation surrounding the USOE 5 percent issue, and recommends an *additional* (beyond the State grant program moneys) 5-percent appropriation to section 313(a) for each fiscal year.

Mr. Chairman and members of the committee, the National Advisory Council on Adult Education appreciates the opportunity to appear before you today to present and discuss the fiscal year 1976 budget request for the Adult Education Act and related education thrusts.

In the past, the Congress provided the U.S. Commissioner of Education approximately $10 million each fiscal year to carry out the mandates of section 309. In fiscal year 1975, the authority for implementing 309 was placed with each State and each State required to spend 15 percent of the State grant allotment for 309.

The transfer of responsibility for 309 to the States was not coupled with the provision for funding to be added to the State grant appropriation. Again, the States must now reduce the operation of programs to meet the requirements of 309.

The Council strongly believes in the purposes and need for experimental projects and the development of professional staff and, therefore, recommends that the appropriation for fiscal year 1976 reflects additional funding (beyond the advance funding level of $67.5 million) in section 313 to allow States to continue to meet program (instructional) needs and 309 requirements.

NO. 3

The original Adult Education Act enacted by Congress on November 3, 1966, as Public Law 89–750 (ESEA amendments) contained in the Statement of Purpose language which ". . . established programs of adult public education that would enable all adults to continue their education to at least the level of completion of secondary school. . . ."

It was not until recently that rules and regulations allowed the expenditure of State grant moneys to provide secondary education for adults. The States were placing their Federal financial resources in programs directed to providing learning opportunities to adults with competencies below a high school education.

As the elementary education needs of adults were met, States began to make program plans for those adults to continue into a high school level program. The Education Amendments of 1974—Adult Education; Title VI, Part A, requires each State to make available not to exceed 20 percent of the State's allotment for secondary adult programs.

This is desirable. Many States, if not all, want to implement a priority for adult education secondary programs which will then require additional Federal, State, and local funding.

In the past, the State grant moneys have been utilized to fund basic education thrusts (grade 0–8 programs), and now there is a demand and evergrowing need for secondary education programs for adults as was envisioned by Congress.

With program dollars remaining at approximately the same level for the past 4 years, it is the recommendation of the Council that section 313(a) funds be increased to aid in meeting both the elementary and secondary educational needs of adults.

NO. 4

The Council's record and recommendations have always supported the concept of State advisory councils. The Adult Education Act (section 310A) encourages States to establish and maintain a State advisory council.

The National Advisory Council (section 311) maintains that State advisory councils will lend great assistance to the Federal-State-local partnership in adult education.

There is no Federal financial provision for maintaining State advisory councils other than by taking from State program funds support for these State councils.

The National Advisory Council therefore recommends that State grant aid be increased to a level which would permit implementing State councils.

NO. 5

The Adult Education Act stresses program provisions for the following as well as the programs outlined in numbers 1 through 4 of this testimony:

(*a*) Institutionalized persons.
(*b*) Manpower development and training programs.
(*c*) Reading improvement programs.
(*d*) Bilingual adult education activities.

(*e*) The elderly.

(*f*) Improvement of educational opportunities for adult Indians.

(*g*) Community school programs.

Considering the immense educational needs and problems of great numbers of American adults and the excellent opportunities provided by Congress and the States to meet these, the National Advisory Council on Adult Education recommends the appropriation of $183,750,000 for fiscal year 1976.

This amount is no greater than that recommended in Congressional conference reports of the past 2 years and what is presently contained in the provisions of section 313 (a) and (b) passed on August 21, 1974.

The $183.7 million would be allocated to the States as follows:

1. State plan program: $175,000,000.
2. State administration and development of State plan: $8,750,000.

The National Advisory Council on Adult Education wishes to lend its support to other program concepts contained in the education amendments of 1974 which this committee on appropriations may be presently examining or will examine in the future.

The council supports financial assistance to:

(*a*) Community schools ($17 million for fiscal year 1976);

(*b*) Career education implementation;

(*c*) Consumers' education;

(*d*) Women's educational equity for continuing educational activities and programs for underemployed and unemployed women;

(*e*) Adult education activities for the use of the metric system of measurement;

(*f*) Support of the U.S. Office of Education's request containing funds for implementing the adult education clearinghouse in fiscal year 1976 (section 309A); and

(*g*) Congressional support for the White House Conference on Education in 1977.

In summary, Mr. Chairman, the budget request for Federal adult education programs which the Council is proposing to you and your committee for fiscal year 1976 is one which begins to place an educational priority and national commitment on providing steps toward new learning patterns for adults.

The council recognizes the severe fiscal restraints of today, however, each of us in this room knows the importance we must place on the growth and enrichment of America's human talent.

HIGHLIGHTS OF ANNUAL REPORT

Dr. **Eyre**. A month ago today, the Council provided each member of the House and Senate with copies of the annual report. I have already received from you an acknowledgement letter, Senator, on this report. We do not want it submitted as part of the record, but would like for you to have it as supplementary information in support of the items we will mention, and also in support of what Mr. Dorland and Mr. Wood have said previously and this document, on page 132, outlines New Mexico adult education demographic information.

I want to talk about that in a minute because I think it has some bearing on what has been said before. I would like to highlight five items.

The first one is in relationship to the 5-percent issue that was previously raised. The Council believes that the language the Congress provided in the law is very clear. It indicates that there is further authorized to be appropriated, on top of the basic State grant program, 5 percent moneys for the administration of a State plan.

Keeping that concept in mind, and looking at New Mexico, that 5 percent against the $402,000 New Mexico receives in the State grant program——

Senator **Montoya**. $20,000.

Dr. **Eyre**. Let us put $20,000 aside for a moment.

The second item in the testimony is in relationship to the 15-percent category, for special projects and teacher training.

Senator **Montoya**. $60,000?

Dr. **Eyre**. $60,000. Put that aside, and item No. 3 deals with the provision that 20 percent of State grant moneys can be utilized for a secondary education opportunity for adults. New Mexico, $80,000.

The next item deals with the State advisory councils, and in talking with Dan Chavez today and with Tom Trujillo, they have in New Mexico as do about 25 of the States, a State advisory council. But the 5-percent provision under item No. 1 that we just discussed, would require that the States take from instructional money, program money for people, the dollars to offset the cost to operate the State advisory council in the State of New Mexico.

Senator **Montoya**. How much would that cost?

Dr. **Eyre**. I would estimate, in your State, because yours is about the same as mine, Colorado, about $25,000.

Senator **Montoya**. Well, that is $105,000 then.

Dr. **Eyre**. Thank you, sir.

Senator **Montoya**. Out of $402,000.

Dr. **Eyre**. $217,000 is about all we have left. As an example, in the State of New Mexico, to run an adult education program previously, without those percentage factors, was at $400,000.

With that in mind, Senator, then——

Senator **Montoya**. You are buying a lot of Cadillac and no gas.

Dr. **Eyre**. Look at your State's figures for New Mexico. This is representative of the Nation as well, 45 percent of the adults over 16 years of age in the State of New Mexico not enrolled in school have not completed high school.

Total up New Mexico and the other 49 States and the territories, 54⅓ percent of American adults have not completed secondary education. So, with the foresight of Congress, the partnership program that Mr. Dorland mentioned, we are trying to solve this problem. Other responsibilities stressed in the enabling legislation and amendments you passed in 93-380, which by the way is attached in the back of your testimony.

There are some other requirements for the States and for New Mexico, programs geared at institutionalized persons. No 20 percent like there is for high schools, which you mentioned—manpower development, training, reading, bilingual adult education activities, the elderly, improvement of educational opportunities for adult Indians—you will have a gentleman speaking about that in terms of higher education today.

The community school program, you will have witnesses coming before you today on that. So, if one looks at these $67.5 million that Mr. Dirks had shown you and look at the needs of the States and the restriction factors in terms of those percentages, and New Mexico gets whacked in half, to run the program really that you had a year ago——

Senator MONTOYA. The adults, on benefits, are only realizing half of the total appropriation.

Dr. EYRE. Because—now there is some spinoff in there, naturally, if you start involving adult high school programs like in New Mexico, that is the 20-percent factor at $80,000. You can add that back in.

Mr. WOOD. I think there is some confusion here—the 20-percent high school is a maximum, not a minimum.

Senator MONTOYA. I understand that.

Dr. EYRE. Thank you, Charlie. But, looking at these percentage factors of the program, and also looking at the State advisory council structures, it appears to the Council, your National Advisory Council, that with those other inclusions in the law that ought to be stressed—the elderly, bilingual, and so forth—that the Council wants to make part of the record today the request for $183,750,000.

This amount, Senator, is no greater than the recommendation of Congress in its conference reports for the past 2 years. And, the $83.7 million is busted out into the State grant program of $175 million, and then the $150,000 formula that you talked about, and the 5-percent factor added to that $175 million which is in the law, which is $8.7 million, and that totals a $183 million appropriation.

Senator MONTOYA. Would you settle for a more restrictive provision which would prohibit the States from using any part of these grants, except up to say 5 percent, for any other purpose other than instruction?

Dr. EYRE. I cannot answer that for the Council, sir. I can answer it if I was a State director of adult education. I would go along with the law, yes, sir, in terms of the 5-percent restriction and its full utilization.

But we need those dollars in order to implement that rather than taking it away from the program.

Senator MONTOYA. I think the States ought to be adding to this, do you not?

Dr. EYRE. The States put up their 10 percent.

Senator MONTOYA. It is not enough, is it?

Dr. EYRE. No, sir. New Mexico just recently for the first time, as you are aware, received some money from the State legislature to implement the GED high school diploma program—one of the few States in the country that takes the GED and based on that you can issue an adult high school diploma, so yes, there is some money coming in that way.

In conclusion, Senator, the Council wishes to stress its support as a Presidential Council, to the concepts that are listed on page 6 within the testimony, and that deals with the community schools part of the new special projects within Public Law 93-380. We look at that at the $17 million level—career education implementation, consumer education activities, women's educational equity dealing with adult women, adult education activities for the transition into the metric system which is very important.

We are going to find ourselves in the same situation as we did with the new math where parents do not understand it and therefore there is not a conducive learning environment at home.

Senator MONTOYA. Well, it might do all of us some good if we change over rapidly into the metric system. Then we will not be able to gage inflation. [General laughter.]

Dr. EYRE. Let us get on that fast.

And the next one is the clearinghouse provision within the law that you are aware of, because the Senate put that in the law. We support the U.S. Office of Education's request to implement the clearinghouse structure. And certainly, the intent that Congress had relative to the White House Congress on Education which has, as part of that thrust, an adult education component.

I am pleased to represent the Advisory Council which is mandated by Congress, and to have Miss Church accompany me today representing our chairman, Mr. Puksta. And if there are questions, sir, Miss Church and I would be very pleased for a moment to entertain those questions.

Senator MONTOYA. I think you have been very explicit. I think you have handled this very well. I wish that everybody would come in and tell us how these funds are being spent. I have always been very concerned about some of these funds being spent for administration, and show and comfort, and nothing for the basic things.

There is an old Spanish saying that there is too much music and not enough opera. We need some opera, sir. Thank you, very much.

Dr. EYRE. Here is that report, sir.

Senator MONTOYA. Thank you.

Indian Higher Education

STATEMENT OF ABE PLUMMER, CONTROL SCHOOL BOARDS

ACCOMPANIED BY DAVID GIPP, EXECUTIVE DIRECTOR, AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

PREPARED STATEMENT

Senator Montoya. Mr. Plummer and Mr. Killstraight, do you have a statement to present?

Mr. Plummer. Senator, I am Abe Plummer, with the Control School Boards. Mr. Dave Gipp, executive director, American Indians Higher Education Consortium.

Senator Montoya. Mr. Killstraight is not here?

Mr. Plummer. No, sir.

BILINGUAL EDUCATION NEEDS

Senator, you are aware of the Indian education needs, being that you are from New Mexico, which is an Indian country also. You are aware that because our schools are schools where we have got children who are not BIA supported and because of this we have a number of demands and requests that we would like to, for the record, submit here.

It regards some of the topics that were listed earlier, and then this afternoon. We want to address our needs to bilingual education. We are aware that there has been $80 million being proposed for this fiscal year, but we are requesting, Mr. Chairman, that an Indian desk be set within the Bilingual Education Office, and we also request that at least 20 percent of these moneys be set aside for Indian education by the projects.

We also would like to address our needs to the library services derived from the HEW offices. We know that there are moneys set aside for library services, but in many cases those particular moneys are not meeting the native American educational needs.

And this is why we list in our paper the dollar amounts that have been set aside—the dollar amounts that have not been within the community this year.

For instance, there is $395,000 being proposed. We, as a coalition of the Indian Control School Boards, recommend that at least 10 percent be set aside for Indian schools, especially the Indian Community Control Schools.

We are also demanding that the recent study made by the National Commission on Library and Information Services for Indian People be released, especially to the agencies that deal with Indian education.

There are a list of recommendations that would certainly be helpful to the Indian educational needs.

Senator MONTOYA. Has that study been completed?

Mr. PLUMMER. It has been completed recently.

Senator MONTOYA. Why has it not been released?

Mr. PLUMMER. I do not know.

Senator MONTOYA. Let us try to ask them to release it.

Mr. PLUMMER. In regard to——

Senator MONTOYA. Go ahead. I was just going to mention that I went into bilingual education for Indians very thoroughly this morning in the hearings which I chaired on behalf of Senator Byrd who is the chairman of the Subcommittee on Interior and Related Agencies of the Appropriations Committee. And I also went into school construction needs for the contracted schools, such as Rama School.

I also went into the entire program as to what their expectations were, to get more contract schools going. There was an indication presented to the committee, pursuant to my questioning. There are five schools being considered. There were 10 already in operation, I believe, or 15, and that altogether, in the end, 50 would be considered for contract.

So, we are really starting that program on a big basis right now. You know I was instrumental in getting the Rama School started on bilingual education, a two thrust that can be made.

One is the funding that is going into the public school system, because of Indian enrollment. And there are certain requirements that the local schools, public schools, do certain things for Indians, which include bilingual education instruction. And also, we went into the scholarship, the Indian scholarship programs.

And of course, we have been able to get enough money for the Indian scholarship program at the university level, although we have had to add to the budget request for the last 2 or 3 years that I can recall. That is adequate. That has always been adequate, even though it has come late sometimes.

For library resources, that is a different problem. I did not go into it this morning at this morning's hearings, but I would encourage you to keep on the subject. We will see what we can do about it.

Mr. PLUMMER. Thank you, Senator. We have always appreciated the support that you have given to the Indian education needs. Regarding the moneys that are coming from Public Law 81–874 for the maintenance of assistance to the schools that have been in Indian populations, we are asking that at least $50 million be appropriated for the impact areas, and that at least $20 million be allocated for construction of schools in the impact areas.

As we have said time and time again, Senator, the Indian people are always being left out, because of our land situation being as it is. We are constantly having to depend on Federal money for our resources.

We are also asking, Senator, in our paper, that in the EPDA programs, especially as it relates to Indian teacher training, that at least $3 million be added as an add-on. We have had 30 projects throughout the Indian country this last year, but the money for this particular category has been cut back to $460,000.

This means that we are going to have to cut down our projects, although there has been a great success. We feel that again we are being cut with really no real assurances that there will be additional moneys.

Senator MONTOYA. I made a statement to the Commissioner this morning, and to the man who is in charge of education for Indians. I made a statement that we should start on a program of providing training for bilingual teachers, Indian bilingual teachers, who could communicate with the children; that I did not want any majors in Indian dialects who could not come into the classroom and speak the Yate language and Tawo language to the little Indian children.

I am very concerned about that because we have had quite a bit of experience with respect to bilingual teachers in the Headstart program, and also in the other bilingual programs.

Mr. PLUMMER. Again, this is another source that we have begun to depend upon. As I said earlier, it was going to be a successful program in that this gives the opportunity of Indian professional teachers' aides being given the opportunity to elevate themselves to eventually become the full-fledged teachers. And these are the persons who are going to stay.

Senator MONTOYA. I would encourage you to contact your State superintendents of education, the State boards of education, because they have to certify the teachers in your schools.

See if they will permit you to use local people such as we did in the Headstart program, until we can train duly qualified and subject-to-certification teachers. We have nothing in the pipeline for teaching—for training teachers in bilingual education—save for the Tawo language and the Pueblo language. And we do have it for the Navajos. but not for the others.

Anything else?

Mr. PLUMMER. We would like to also address our needs to that of the national reading improvement program that is now under the HEW system. I do not believe there is any money being planned?

Senator MONTOYA. We just provided some funding this year for that, did we not? In the supplemental? [Pause.]

The "right to read" program, we provided just about 2 months ago $12 million. There is nothing for this program here in the budget. Some testimony has been presented to this committee asking us to take the initiative in providing some funding for some reading programs.

Mr. PLUMMER. We would like, on top of that, to ask that at least $150,000 be appropriated and designated as money to be used in the Indian Community Control Schools that we are trying to push.

Senator MONTOYA. If we provide any appropriation, I am almost sure that you will get more than that.

Mr. PLUMMER. OK, we would like to say just for the record that much of the reading improvement program got their focus directly at pre- or very early elementary grades and we would like to point out, so far as our Indian situation is concerned, the reason why we are asking for money is that we feel that where we get into the problem areas of grades 4 through 8 is when the comprehension programs practice begins, and this is why we feel that we need some extra money to deal with the reading problems.

Senator MONTOYA. I am with you. I think our educational systems in this country have ignored the reading needs of the schoolchildren and they have ingored the idea of developing techniques for better reading. More children need instructional reading.

I took a reading course myself when I came to Congress because I had to read too much mail everday.

Mr. **Plummer**. This is all we have, Senator.

Senator **Montoya**. Thank you very much. I appreciate your testimony. Do you have anything else to add?

PREPARED STATEMENT OF DAVID M. GIPP

Mr. **Gipp**. Yes, Mr. Chairman, I have a brief statement that I did submit for the record.

Senator **Montoya**. It will be made a part of the record.

[The statement follows:]

Mr. Chairman and members of the Subcommittee:

I am David M. Gipp, Executive Director of the American Indian Higher Education Consortium. The Consortium is comprised of ten Indian-controlled community colleges and is dedicated towards improving post-secondary Indian education.

The Indian controlled community college is the Indian answer to the high attrition rate of Indian students attending non-Indian higher education institutions. In many cases, Indian students "drop-out" of these institutions because of inadequate counseling and guidance programs, irrelevant curricula, and a lack of adequate financial support. Each Indian community college applies education to the needs of the Indian population within the Indian or Tribal community. This is in keeping with most tribes' concept of self-determination in all matters affecting Indian lives.

Tribal groups support reservation-based community colleges as the most viable alternative to off-reservation institutions of higher education which are rarely accessable or suitable to the needs of the Indian population within the community.

The colleges of the Indian higher education consortium are located in North and South Dakota, northeast Nebraska, Arizona, and California. Eight colleges on seven reservations and one community in California are a functioning reality while two more are in final planning stages.

The community colleges began with minimal support from non-Indian resources. Some Federal support has come from the U.S. Office of Education through the Bureau of Higher Education Institutional

Development program. This past year $1.4 million has been provided in basic institutional operating programs for all Indians under Title III of the amended Higher Education Act of 1965. This support represents 1.4% of the total funds previously appropriated for all Indians (not only the Consortium's colleges) for institutional development under the Act.

Those schools which have received institutional support through Title III Basic Institutional Development Programs include the Lakota Higher Education Center and Sinte Gleska Community College in South Dakota; Turtle Mountain Community College and Fort Berthold Community College in North Dakota; and the Navajo Community College. Although eligible for Title III support, Hehaka Sapa College of D-Q University at Davis, California, does not receive Title III assistance. The Consortium's four remaining schools do not receive Title III assistance.

Title III assistance has enabled the five federally-funded institutions to develop and improve curricula and academic responsibility. For example, Navajo Community College has used Title III resources to develop materials on research in the Navajo curriculum. Administration, staff, and faculty support and development exemplify the results of Title III assistance at Sinte Gleska Community College and three other federally supported institutions within the Consortium.

Under Title III, Strengthening/Developing Institutions, Section 302, part 2, sets forth the authorization grants to Indian higher education. The Commissioner can waive the requirements for "institutions located on or near an Indian reservation or with a substantial population of Indians...Such grants may not involve an expenditure of funds in excess of 1.4 percentum of the sums appropriated pursuant to this title for any fiscal year."

This year, the U.S.O.E. is requesting $110 million for all of the Title III, Strengthening/Developing Institutions. Of this amount, we respectfully request that this subcommittee authorize 6% of the total requested amount for existing Indian community colleges operating independently or under a cooperative agreement with various state and private colleges, and universities. Such an appropriation level would permit the continuation of our present effort and the expansion of new Indian community colleges or higher education learning centers.

I am submitting as a part of the record a list of our on-going Indian higher education efforts. Also enclosed is a list of community college efforts which have started classes but still need additional financial assistance.

Mr. Chairman, the Indian community college effort is one of the most exciting and challenging educational developments in Indian affairs. It will give Indian people and communities an opportunity to receive the much needed access to the educational institutions which can begin training the much needed manpower to operate Indian governments, community services, businesses, and other enterprises on Indian reservations or in the Indian communities.

Those schools have made an important beginning; with your assistance by appropriations and appropriate guidance to the U.S.O.E our efforts will be continued and expanded.

Thank you.

These are the 10 member schools:

(1) American Indian Satellite Community College,
Norfolk, Nebraska

(2) Cheyenne River Community College,
Eagle Butte, South Dakota

(3) Fort Berthold Community College,
New Town, North Dakota

(4) Hehaka Sapa Community College,
Davis, California

(5) Lakota Higher Education Center,
Pine Ridge, South Dakota

(6) Navajo Community College,
Chinley, Arizona

(7) Sinte Gleska Community College,
Rosebud, South Dakota

(8) Sisseton-Wahpeton Community College,
Sisseton, South Dakota

(9) Standing Rock Community College,
Ft. Yates, North Dakota

(10) Turtle Mountain Community College,
Belcourt, North Dakota

INDIAN CONTROL COMMUNITY COLLEGES

Mr. GIPP. I just wanted to outline very quickly and briefly, with respect to Indian Control Community Colleges, and briefly indicate that I am with the American Indian Higher Education Consortium and wanted to at least speak to the issue of Indian Control Colleges.

Like Mr. Plummer's work, we work with community control colleges and systems here. We have 10 members, of which the Navajo Community College is one of our prime members, and one of our prime organizers and sponsors of the consortium of colleges, to help themselves and improve themselves and provide better services.

One of the issues that they are faced with is working with and providing—seeking the assistance of the Higher Community Education Act, and the strengthening and developing institutions program that has provided a great deal of vital help.

Senator MONTOYA. Start getting your application in and I will read those applications through. I think you are entitled to participate in this developing institutions funding. I think you really are.

Now, I brought up the Navajo Community College this morning before the hearings I chaired, and I want that institution to grow. You have close to 1,000 students there, and Montgomery is only participating on the basis of $2,028 per student for the Navajo Community College, whereas Haskill gets over $4,000. This is not fair, and the act which created the community colleges requires that any allocation of Federal funds shall be equitable, and by way of comparability to the allocation of funds to other similarly situated institutions.

So you had better start making some comparisons and just tell the Bureau of Indian Affairs and the Office of Education what you expect.

Mr. GIPP. We certainly would appreciate any help. Just one other comment, at the present time the Developing Institutions Act has provided 1.4 percent of their total appropriation over the previous year, and we are recommending that if it is at all possible, that at least a 6-percent consideration be given under future appropriations.

Senator MONTOYA. You are not the only orphans in trouble under that provision with respect to developing institutions. The University of New Mexico, which has a predominance of surnamed student bodies—so I am with you in this battle. I will do what I can. Thank you.

Mr. GIPP. Thank you very much.

Community Education

STATEMENT OF DR. LEE WATT, NATIONAL COMMUNITY EDUCATION ASSOCIATION

ACCOMPANIED BY MS. MARY BRIGHT

PREPARED STATEMENT

Senator Montoya. The subcommittee next will hear the testimony on a new program called community education. Dr. Leroy Watt and Mary Bright are here to address this subject. So, will you proceed?

Dr. Watt. Let me submit this to you for the record, the program of the International Conference for Community Education, which took place there, for your perusal.

[The statement follows:]

Mr. Chairman and members of the committee, on behalf of the National Community Education Association and all of its members, may I express our appreciation for this opportunity to appear before you in support of an appropriation in fiscal 1976 for the Community Schools Act—Section 405 of Public Law 93-380.

As we face economic and energy problems in this country, it behooves those of us who are interested and care to try to provide opportunities and mechanisms so that local communities can and will provide educational, recreational, health and cultural opportunities for its citizens within those communities.

These opportunities must provide a new outlook for all the community members regardless of age while at the same time utilizing existing facilities, providing low-cost activities, requiring little, if any, expending of gasoline energy, and consolidating and discontinuing the duplication of services to the community. Such a mechanism must not only occupy the members of our society in a meaningful way but must provide for community involvement where increased citizen participation helps define and solve community and individual needs and at the same time build a stronger form of self-government.

The Community Education Legislation before you provides those kinds of opportunities. The long record of Community Education involvement as it began in this country over thirty years ago proves that for every dollar invested untold additional local community dollars have been generated. An additional benefit is the vast amount of human energy and human involvement that those communities have experienced as the Community Education Concept developed in their schools and communities.

We recognize, as did the President, that this program in this economically depressed time could not be funded in full and so the members of the National Community Education Association concur with the President suggesting that a beginning $3,553,000 be allocated in fiscal 1976 so that time may be gained for systematic and thorough planning. At the same time, this would provide a beginning to insure that the communities of this country through the efforts of the Community Education Movement will be revitalized.

If there ever was a time for the individual citizen of every community to have the opportunity to have a meaningful impact on his own life and upon his children's future, the time is now. Therefore, we appeal to this committee to recommend to the Congress this very small appropriation which will set in motion the most meaningful, worthwhile educational concept that has been authorized by the Congress in a long time.

Mr. Chairman and members of the committee, we are mindful of the many pressures you face and the many demands on the dollars which are yours to appropriate. We ask you not only to accept the testimony presented today but to return to the testimony presented in the past which indicates that for every dollar invested in the Community Education program, the local communities have amplified those dollars at least twenty times. The commitment and the effects of those dollars and the commitment of those people in the individual communities speak so overwhelmingly positive that when you review the data you will be convinced that Community Education's time has come.

We, the professional Community Educators in this country along with the more than 4,000 individual school building programs which are already involved in more than 810 school districts in the development of Community Education, pledge an all-out effort to see that the Federal dollars appropriated make a maximum impact providing those services the legislation proposes.

We ask that you only begin in this small way the opportunity for the Community Education Movement to show its worth and value as a viable concept. Once this is done, we will be more than happy to stand on what we know will be an outstanding performance record. Your decision then is one of the most vital decisions you will have to make in determining the distribution of Federal dollars.

On behalf of all of the members of the Community Education Movement and on behalf of all those communities yet to be awakened by this Concept, we wish you the very best in your deliberations and thank you for this opportunity to appear before you to recommend the appropriations as specified by the President.

COMMUNITY EDUCATION MOVEMENT

Dr. Watt. We have submitted testimony for the record, and we will definitely be brief and summarize very quickly. We would like to just bring you up to date on the community education movement. It has been around for approximately 30 years, and it has been privately supported for most of those years.

At the present time, there are six States with State legislation helping the development of community education. There are 810 school districts with community school programs, and some 4,000 community school buildings in operation in the country at the present time.

Also, through private funding there are 68 trained centers and development centers at universities in the Nation. And we have in the movement a research component and a data bank and information clearinghouse with the national association which I represent.

One of the very interesting parts about community education is that the records are very clear about the issue of amplification of funds.

Our records indicate that for every dollar invested in the community education concept, that it has generated $20 additional from the local communities for its implementation. There are few programs with that kind of an amplification of fund records, and that does not count the human effort in terms of volunteer teaching and that type of thing. It is actual knowledge.

So, today in our economy as it presently states, we feel that the need to maximize the use of the facilities for total coordination of efforts within the community for the attempts to involve our people in meaningful ways, and at the same time attempt to save energy, that it is the community educatoin development that is as ripe as it ever might be.

Community education does provide those kinds of savings. It does provide the involvement of people so that people in the community can, in a very meaningful way, contribute to their own problem and identification of their needs. We are aware that the President asked for $3,555,000, and we are grateful for that.

We would obviously like full funding which was at the $17 million level. However. we believe that the concept is so important and that the need to begin to provide the kinds of services that the community education movement has provided, it is so important to get started that we would concur with the President at the $3.5 million level.

With that, we are appealing to you to help begin this process in the United States and in America, and as further involvement we have brought along Mary Francis Bright who is director of the Community Education in Charleston, W. Va.

Incidentally, she was chosen as the outstanding systemwide community educator in America last year.

Senator MONTOYA. That is wonderful. I congratulate you.

Ms. BRIGHT. I am really proud to be testifying today and it is an honor to be here. I am delighted that I am here to talk about community education. I am going to make it brief because I would really like for you to ask me some questions. I have been in operation in Kanawha County for 3 years, so I have some basis for some figures and financing, et cetera, because of the 3 years we have been in operation.

But the reason why I believe in it so much is that I know what it has done for Kanawha County and what it has done for the school system. Up until about 5 years ago, we locked up all of our schools at 3:30 every night and then we put fences around them and locks because we were so afraid of trouble, and we were afraid of vandalism, but yet every morning every problem of the community, every problem of every home, walked right in the front door of every school in our State.

Not only that, kids who come to school hungry cannot learn. Kids who come to school with all kinds of emotional family problems cannot learn. And we put millions of dollars in innovations, so how do kids learn?

But we did not pay any attention to the fact that we needed to join forces with the welfare agencies—we needed to work with these social agencies. We needed to be involved in the home and the community and not just in our—well, in Kanawha County we did this. At this point in time we are working at 124 service and governmental agencies, which I think is a fantastic number. And let me tell you some of the things that we are doing.

We have a preventive care program for the senior citizens. This is funded by the Commission on the Aging and a local foundation, the owner of which is interested to help. I have watched over the last 9 months four women who had arthritis and could not move their hands, and they go to the school in the cafeteria every Tuesday and Thursday morning and exercise and they are now able to peel potatoes again.

To hear these elderly people talk about how much healthier they feel is a long story, but another thing in the same school, when you said why do you not get them to teach? We have grandmothers who just love.

We have a school with an open space that is from first grade through fourth grade, and we put a woman in there every morning, a senior citizen. All she does is go and hug the kids who look unhappy because maybe they had trouble at home. So we do utilize the senior citizens.

We put baby clinics with the health departments, so none of this is costing the school board any money. It is not costing the taxpayers any more money.

Senator MONTOYA. Do you find many volunteers for these?

Ms. **Bright**. Yes, we get them into service projects. Now as far as teaching classes, it is a very sticky thing because you cannot pay this teacher here who demands to be paid, but I can get volunteers for elementary activities and some of these things, but you really get yourself into trouble when you pay someone in this room, and do not pay someone else in that room.

The reason that I think that that has been so successful is that we have had to rely—to begin our program 3 years ago—completely on people in the community. And we have a very active local advisory council in each of our 11 high school areas—no, I take it back, I am not one—in each of the 10 areas.

My staff does not decide what a community needs. They do not decide the classes or activities.

Senator **Montoya**. Who pays for your staff?

Ms. **Bright**. That is a goodie. I get money from a lot of places. Do you really want to hear?

Senator **Montoya**. I can understand that.

Ms. **Bright**. By the way, wait until I get to the $3.5 million. If I accept what everybody told me they were going to give me, we would not have a CD program in Kanawha County. We get reimbursement funds from adult education which is the basis of how we got started.

We have 18 municipalities within Kanawha County, 2 of the larger municipalities will subsidize our program, and they have never put a limit and we have never taken advantage of them, but if we need money, they will give it to us.

All of our local recreation departments and our county recreation department have put, in some instances, a full-time staff member working with my community and staff members so that we are not doing recreation.

The recreation which the Government—we have already gotten money into it—is doing all of the recreation. I have some principals who will sell hot dogs, cokes, anything—spaghetti dinners, you would be surprised what community people can come up with.

We had one community where the churches practically support us, and Father Byer is the chairman of that advisory cooncil, and we combine church and State.

Senator **Montoya**. When it comes to money, you can do that.

Ms. **Bright**. In the packet I have given you, it is a whole big bunch of stuff. It is about my budget for next year. Let us go into that $3.5 million. The guidelines are not set for how that money is going to be allocated, I know, but just doing some little mental gymnastics, it equals about $30,000 for local, after the States take what they need to get going.

It is going to mean about $30,000 locally. My budget for next year—just from the board of education—is $250,000 and that is not counting any of the governmental or all of the other services agencies. A copy of my budget is in there. These are agencies that we work with in the work with in the programs that we do together.

Some of the statistics this year, in just the last 20 weeks, we have had almost 7,000 people enrolled in classes. That is just enrollment in classes. That does not count any of the participants in recreational or in any of these services that come into the community. That is just people taking classes.

Ten men paid $100 a piece to learn how to build a kayak. We get the wildest requests. If you just trust people—let me tell you—we talk about bilingual. We have a terrible terrible foreign language department at our school system, I think, but we have the Chinese citizens of our community who came to one of our coordinators and said "we want our children to learn Chinese."

Now, since we are doing it on Saturday morning, we do not have to go through this teacher hassle or all this. We have Chinese people there in the community——

Senator MONTOYA. Teach them English and it will be Chinese to them anyway.

Ms. BRIGHT. We had 30 Chinese elementary students enrolled in that class, and when it got to the point where people—Caucasians—but we had people in the community that wanted to learn Chinese. Kanawha County is losing enrollment, with inflation and everything. We should let 100 teachers go this year. That is how bad it is, and we are not the poorest in West Virginia, but we are pretty poor.

Senator MONTOYA. You have two good Senators—Senator Randolph and Senator Byrd and they have brought a lot of money into West Virginia. I have been sitting on the committees here and they nibble away for West Virginia all the time.

Ms. BRIGHT. I thought that we would not get any of that money because I am already going. I am here for the rest of West Virginia because the poorer counties will just never be able to afford community education unless we get State and Federal funding.

Senator MONTOYA. Senator Byrd is a member of this committee of this subcommittee and he told me to tell you people that he was sorry that he could not be here.

I will brief him and certainly tell him what a wonderful person you are and what a wonderful job you have done. I certainly will. I commend you for it.

Ms. BRIGHT. We do need more in Federal help.

Dr. WATT. I think that that is an indication of only one isolated case, but a very dynamic one of the kind of energy generated in the community when we get a trained person on board and get going.

Also, I would like to introduce to you Dr. Migocki, the Center for Community Education in Maryland. With that, we will again appeal for your help and thank you for letting us testify.

Senator MONTOYA. Thank you very much.

IMPACTED AREA AID

STATEMENT OF MR. LAWRENCE J. HAUGE, ADMINISTRATIVE ASSISTANT, CLOVER PARK SCHOOL DISTRICT NO. 400, TACOMA, WASH., AND CHAIRMAN, REGION 10, ASSOCIATION OF IMPACTED AREA SCHOOLS

ACCOMPANIED BY DR. DAVID FISH, SEATTLE UNIFIED SCHOOLS

PREPARED STATEMENT

Senator MONTOYA. We will hear from Mr. Lawrence Hauge.

Mr. HAUGE. Dr. David Fish from Seattle Unified Schools. Dr. Fish will lead off for us and summarize the comments he has. With your permission, we would like to put both of our statements in the record.

Senator MONTOYA. The statements will be made a part of the record at this point. You may proceed to summarize them.

[The statements follow:]

I am Lawrence J. Hauge, Administrative Assistant for Clover Park School District, Tacoma, Washington, and Chairman of Region 10 of The Association of Impacted Area Schools, encompassing some 350 school districts in the states of Washington, Oregon, Idaho and Alaska.

It is my privilege to appear before this committee to offer such assistance as I may as you consider the appropriation measure before you.

The testimony given by my colleague, Dr. David Fish, graphically and dramatically draws attention to the plight of the P. L. 874 school districts under the provisions of the recently amended law. I will not take more time to dwell on the effects of the 1974 amendments to local school budgets, except to reiterate that it would be disastrous to most impacted districts should Tier II level of funding not be reached. In the Clover Park District, for example, there is an estimated difference of $2,300,000.00 between Tier I and Tier II fundings, or 13.5% of the District's maintenance and operating budget. The hold-harmless provision would, of course, soften the blow, but only temporarily.

We are all being consumed by inflation. I have great compassion for the members of the committee who, along with their colleagues, must make the hard decisions and recommend priorities which affect the health, education and welfare of millions of Americans depending on programs funded through the actions of this committee.

School districts are doing all in their power to stretch available dollars. Nevertheless, in a period of inflation, to "stand still" is to "fall behind." The impacted districts have been falling behind in recent years in spite of a conscientious effort by Congress to maintain the same level of funding for P.L. 874. The fact of the matter is the same level in the total appropriation does not buy the same amount of materials and services as in previous years. Local districts have absorbed these losses or increased the burden on the local taxpayer. The Federal government has fallen behind in its proportion of the cost of educating pupils who have a Federal impaction on a local district.

It is my purpose here to respectfully ask your consideration to fund the program for Fiscal Year 1976 at a level to insure that all eligible districts reach at least the Tier II level of funding.

Yesterday, in the State of Washington, a new round of annual school levies was voted. Many of the districts failed those special levy elections for the second (and last) time, and now must go to work to slash as much as 40% of their operational budget for next year. P.L. 874 is, in the eyes of many, the Federal government's annual special levy. It would be disastrous if it should fail. The children are there. We are doing our best to give them good education. We ask that you give the same consideration in your deliberations relative to the appropriations for Impact Aid in FY 1976.

Before closing, please permit a few words concerning Public Law 815, the school construction companion law to Public Law 874. For the past several years, Congress has funded P.L. 815 at a level between $15 million and $25 million annually. Each year the backlog of school construction needs increases until now it is estimated to be nearing $250 million.

My specific concern this afternoon is for special consideration for FY 1976 of retiring some of the critical needs found in the area of Section 10 buildings, those school facilities on Federal property owned by HEW and administered by the local school district. I am attaching an explanation of the dilemma facing districts such as Clover Park, which administer Section 10 buildings which, by today's standards are now badly sub-standard.

USOE wants the local districts to assume ownership of the buildings, but fails to provide funds to make necessary structural corrections, additions, or major renovations before turning them over to the local taxpayer.

Seven of the nineteen elementary schools in Clover Park District are HEW-owned schools on Federal property. We are caught on the "horns of a dilemma" as far as expending State and local funds for major improvements on the schools, as you will see by my appended statement.

We request consideration for an appropriation earmarked to clear up the eleven applications for Category 2 projects of Section 10, P.L. 815. School districts in Alaska, California, New York, Texas and Washington have projects on file. USOE estimates the projects would cost at least $15,000,000 at today's construction cost.

We recognize, too, that the problem is far greater than just those eleven projects on file, and we support a field study to determine the full scope of needs. In the meantime, however, we look upon the pending projects as immediate needs--and projects which could serve to stimulate construction trades in those areas in which they are located.

We are extremely grateful for the P.L. 874 and 815 programs. They are good laws which recognize the need for Federal and local government to work together for the welfare of the pupil. Of all Federal educational programs, P.L. 874 and 815 are the most basic and free of "red tape." The money goes where it is intended--to the classroom serving the impact youngster.

Thank you for this opportunity to testify. If I can be of further assistance in any way, please call upon me.

Dr. **Fish.** Thank you very much, Senator. We appreciate the opportunity to speak to you today. I will not go into this testimony in view of the hour except to indicate and bring to your attention that impact aid is a new program as a result of the reforms that were made.

The program has been increased, by some estimates, as low as 700,000, to the Library of Congress estimate of 900,000 students living in public housing and that brings our program to 2.7 million students nationally. It also has been increased by providing an additional payment for the handicapped students of military families who are in approved programs for their specific needs.

We support that very strongly. It also has been improved and reformed, and I was glad to hear our friends speak earlier, because it has been improved by changing the status of the students living on Indian lands to provide a higher rate of payment—a more appropriate rate of payment—to serve their needs.

We are vitally concerned because this orderly transition brought about by the reform needs funding. The out-of-State student has been eliminated in the program, and the out-of-county student rate of payment has been reduced in both cases because of the drastic effect on the financial welfare of the districts that are concerned.

A hold harmless provision has been provided and that says that it would be reduced by having 90 percent of the previous year's payment, if it was over 10 percent of their budget, and 80 percent if it was more than that.

This is an excellent provision, but it does inflate the need for the first year. The program has a very serious problem for us without adequate funding. We are confronted with the situation in which we sort of fall off the cliff if it is not up to the level of the second tier of the program.

We are confronted with the fact that men of that tier can be paid——

Senator **Montoya.** How much of an increase would you suggest for the budget request?

Dr. **Fish.** The budget request? I am sorry, I do not know at this point. The budget request, I believe, is down in the neighborhood of $200 million, if I am correct.

Senator **Montoya.** $256 million.

Dr. **Fish.** The budget request is approximately $400 million under what the program operated at last year.

Senator **Montoya.** Last year the appropriation was $656 million.

Dr. **Fish.** That includes the construction money? $636 million was what the program operated at last year?

Senator **Montoya.** Right, and for B children the appropriation was $354 million.

Dr. **Fish.** What the administration has proposed in this budget request is to reduce——

Senator **Montoya.** Zero for B children, and zero for A children. And, because we have $210 million already in the pipeline——

Dr. **Fish.** That proposal, basically, was that if it was 5 percent of your budget they would take the first 5 percent of your budget if it was made by impact aid since most school districts operate with less than that in their reserve.

Senator Montoya. There have been quite a few Federal installations closed. So would you agree with me that the need for last year's level of funding has been reduced?

Dr. Fish. No, sir, I do not.

Senator Montoya. There are more federally connected?

Dr. Fish. There are more children in the program as it has been reformed. The addition of the public housing program——

Senator Montoya. That is because of B children?

Dr. Fish. Those are B and possibly a few A's. They call them public housing or low-rent housing. That was part of the reform, and frankly, that was involved with the changeover in the title I.

Senator Montoya. What do you suggest, over and above the $256 million?

Dr. Fish. The Library of Congress identifies that it would take $639 million, according to their calculations, to fund through tier II. We are very dubious about that—not that we challenge their figures, but we must remind you that the public housing children have not been counted in many districts before; and that the handicapped programs have various needs and guidelines that we have not seen yet.

We are hopeful of getting funding that carries us past tier II. We also are confronted with the problem that tier II funding carries with it the "hold harmless" provisions, the ones to phase out the out-of-State, the Montgomery County, Md., and so forth.

All of those provisions together, the Office of Education estimates at $91 million, so we must say that right now—the further I talk the mushier the figures get—we must say that we are talking in the range of $720 to $750 million.

In order to develop these figures, and what I am concerned about, is a situation in response to the request of the authorizing committee on the House side. We conducted a survey of 4,600 school districts. To this point, we have received responses from about 2,000.

Our responses show, for example, even through tier II funding, and this is without the effects of the hold harmless, so this is why both funding—the hold harmless is extremely important in New Mexico, because you know in New Mexico there are 58 school districts that we have reported so far in our survey—50 lost funds. That even includes the fact that they would be—I would assume there would be some of the higher level funds for the Indian students in there.

Albuquerque would lose $504,000, for example. Santa Fe would lose $186,000. Some of the losses would be very small in some districts, but that is even after tier II.

Senator Montoya. Is that on the basis of the $256 million?

Dr. Fish. Of the administration proposal?

Senator Montoya. Yes.

Dr. Fish. The administration proposal would almost probably wipe out entirely most of those payments. I may be wrong, but in the right-hand column in the data which we provided, you will see a listing of the school districts. The ones marked with an asterisk in the right-hand columns were to be the ones to be totally removed from the program. That is the kind of impact it would have.

The point that we are concerned about is inadequate funding levels to carry the reform through. I also point out that in terms of absolute numbers of students served, this is our high year. As the out-of-State funding goes into effect, the payments to Montgomery County, Md. and Fairfax County, and the ones that we have heard so often, where most of the Members on the Hill's staff live, those would gradually be reduced to the level just of the students who live in their State in their county.

Thank you very much for that.

Mr. HAUGE. Senator, I might just follow up on this particular point a little bit, because it is of great concern to all of us in the impact program, especially if we plan our new year ahead as we contract with our teachers, which like in the State of Washington as in many other States, we must do it by April 15, commit ourselves to them.

Senator MONTOYA. That has been our problem here every year, and we cannot act on this bill until the House sends it to us.

Mr. HAUGE. We are always nervous about the situation with the Federal funding in those districts that rely heavily upon it because of those reasons. They are particularly there this year because we do not know what the full effect of this new reform legislation will actually be.

But, in my district, for example, which is the Clover Park District in suburban Tacoma, our loss would be fairly minimal under the new program. As we anticipate ours, we understand that probably not more than $14,000 over what it is now mostly because we are primarily an A district. But, because if we did not get to tier II if the Congress fell short of appropriating enough to carry the whole program to tier II where it is all or nothing, we would lose $2.3 million and that is 30½ percent of our budget.

Senator MONTOYA. I am sure that the chairman of our committee would not let that happen in the State of Washington.

Mr. HAUGE. Could I add one more point?

Senator MONTOYA. I have to go vote, but go ahead.

Mr. HAUGE. Could the committee take into consideration the great needs in Public Law 15 in the construction area?

Senator MONTOYA. We have. We have urged them. We had the hearings last week.

Mr. HAUGE. The material I have submitted verifies some of the needs, as we see them. Thank you.

ADDITIONAL TESTIMONY

Senator MONTOYA. We will insert in the record at this point additional statements we receive from organizations concerned with education appropriations.

[The testimony follows:]

STATEMENT OF JOAN GANZ COONEY, PRESIDENT, THE CHILDREN'S TELEVISION WORKSHOP

Mr. Chairman, and members of the subcommittee: I welcome this opportunity to outline the situation which the Children's Television Workshop faces in continuing two of its educational television series, Sesame Street and The Electric Co., in fiscal year 1976.

Sesame Street is an American institution. The Electric Co. is the most widely used educational program in schools in the history of television. Altogether nearly 15 million American children—and many parents—see and learn from these two series each year. The programs are broadcast on the 250 stations of the Public Broadcasting Service twice each day and in many areas, again on weekends. Of particular importance the programs are reaching large numbers of disadvantaged children, despite the fact that in many cities and areas, public television is located on hard-to-dial UHF channels.

The immediate and continued popular success of Sesame Street and The Electric Co. makes it easy to forget about the experimental nature of the two series; both are continually changing to reflect research results and the needs of their young audiences.

Sesame Street today is significantly different from the series that made its debut 6 years ago. Curriculum content and production values have expanded year to year, in a carefully structured fashion designed to add to both the appeal and educational effectiveness of the program.

Sesame "street" has been enlarged to bring more of the outside world to children. Live action films showing how bread is made in a bakery, or how vegetables are grown, processed, and delivered to a local store add to understanding of how our society works and, not incidentally, introduces the world of work.

Perhaps the greatest changes have been in the shows' direct educational curriculum. The range of basic skills helpful to a child when he enters school has been broadened. Increased use of Spanish vocabulary, ways to deal with feelings and emotions, more complex geometric forms, and ecology information all add to the richness of the shows' utility. And in shows next year, we will test ways in which the program can be of help to mentally retarded children by encouraging specific play activities appealing to retarded as well as other children.

The audience for Sesame Street typically begins viewing at about age 2 and continues until 6 or 7. Each year the child can take from the show elements which are useful to his or her particular stage of development.

The Electric Co. was introduced 4 years ago as a supplemental aid to help teach basic reading skills to primary schoolchildren, particularly those in the early grades having trouble grasping reading fundamentals.

This series, too, has grown and changed to achieve success in its very demanding and specific curriculums. Extensive electronic techniques to integrate print material into the visual medium of television, introduction of new live and animated characters, increased interaction between viewers and performers all reflect the results of continuing research and experimentation.

Research results continue to confirm the series' success in achieving gains in reading skills. Last year, for example, the Educational Testing Service found that the gains made by viewers endured beyond the immediate viewing period. Gains made by 7- to 10-year-old students during the show's first season (1971–72) remained "strong and clear" at the end of the first summer recess and after the next school year. This finding was particularly important to us, since typically reading skills of disadvantaged children fall off during summer recess, while those of kids more oriented to reading remain steady or improve.

An estimated two-thirds of all primary schools in the United States equipped with classroom television use the Electric Co., and at-home audience also remains large with an estimated 3½ million regular viewers, many of them preschoolers.

The inschool success of the Electric Co. is gratifying and important. This next season we will concentrate specifically on experimentation to enhance the series' inschool usability.

We are planning to make fiscal year 1976 the first of two final years of new production of the Electric Co. During this time we believe that, building on our experience and research to date, it will be possible to create a valuable television textbook which can then be rerun over a subsequent period of 4 years. During that rerun period, we will propose continued outreach and research to monitor effectiveness and signal any need for renewed production.

The Electric Co. was designed to do a specific job with a specific curriculum. Unlike Sesame Street, its primary target is a relatively narrow period of 2 or 3 years from grades 2–4. We believe we are now ready to complete the task in the next 2 years, and that the instrument in production will continue to bring substantial educational returns.

Mr. Chairman, what I hope just described reflects the essence of the workshop's approach to its television projects; innovation, research, and change. The workshop staff, its trustees, advisers and friends are dedicated to using the powerful medium of television for constructive educational purposes.

That means producing television shows which can compete successfully with expensive network production. It means undertaking the careful research which can keep our shows fresh, and constantly add to their educational effectiveness, and it means maintaining a widespread program of outreach, which we call community educational services, so that our programs have a solid chance of reaching and teaching our special target audience—the disadvantaged.

Getting the job done requires talent, organization, and commitment. It also requires money. Sesame Street and the Electric Co. cost much less than commercial children's television—both shows cost less than 1-cent per child reached for each original episode, by any measure a cost-effective investment. But the absolute amount is substantial, a total of $10.7 million for the two programs in fiscal year 1975 and $10.5 million proposed for fiscal year 1976. To provide the necessary funds, the workshop looks to a combination of sources: public broadcasting, our own self-support revenues, and the U.S. Office of Education.

The U.S. Office of Education has encouraged and supported Sesame Street and the Electric Co. since the beginning of each series. Sidney Marland, when he was Commissioner of Education, commented of the Electric Co., "Perhaps no other innovation in the history of education has made its presence felt to so many people in so short a time." Terrell Bell, the present Commissioner, commented recently, "* * * these programs (Sesame Street and the Electric Co.) are two of the best things the Office of Education ever invested in." Their judgments have been confirmed by 10 Emmys, and awards ranging from the Peabody and Ohio State awards to the Japan prize.

Federal support for the two programs in fiscal year 1976 is authorized under the Special Project Act, as part of the "Educational TV Programing" section of the "innovative and experimental programs" part of the OE budget.

After a sharp reduction in fiscal year 1974, your committee and the Congress recommended $5.5 million in support for Sesame Street and The Electric Company in fiscal year 1975, the amount of our request. To date $3 million in funds have been released. We understand that the remaining $2.5 million has been approved, and we look forward to its early release.

For fiscal year 1976 we are requesting $5.4 million from the Office of Education, only a slight reduction from fiscal year 1975, but a substantial budgetary achievement, given the inflation which we, no less than everyone else, must face. The Administration has requested a total of $7 million for the "Educational TV Programing" category in fiscal year 1976.

The $5.4 million we have requested is, we believe, the minimum necessary to sustain production quality, research and outreach at a level which will continue the success and effectiveness of the two series.

In addition we expect to receive $4.2 million in domestic license fees from public broadcasting in fiscal year 1976, through their station program cooperative funding arrangement. In the first round of voting by the stations on all national programing—the bulk of which is adult prime time or evening fare—The Electric Company and Sesame Street placed fifth and sixth. This is a tribute to the continued importance the stations place on these two programs which provide 20 percent of their total broadcast time and 50 percent of their total audience.

Finally, we project a contribution of $900,000 from selfsupport activities in fiscal year 1976 toward the two series' budget, up $100,000 from last year. With the explicit encouragement of our funding sources, we are undertaking a variety of activities such as international distribution and production, licensing of toys, books, records, and other products which generate royalty income the workshop can use for its educational projects.

Our goal is to build a base of long term revenue that will make it possible for the workshop to pay a significant part of its own way. To date we have had some success with these activities, and we are optimistic about the future, although, in all candor, we cannot foresee the time when selfsupport revenues will pay for the majority of our costs.

Mr. Chairman, I hope this information will be of use to the subcommittee. Your interest and concern for Sesame Street and The Electric Company is very much appreciated by us and by our viewing public. With your support the Children's Television Workshop will continue to make constructive educational innovations in the use of the media for the benefit of this Nation's primary resource, its children.

STATEMENT BY CHARLES W. LEE,

Chairman, Subcommittee on Labor, Health, Education, and Welfare, House Committee on Appropriations, Rayburn House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: The Committee for Full Funding of Education Programs, a broadly based coalition of education groups, respectfully requests that the attached testimony upon the fiscal year 1976 estimates for the Education Division of the Department of Health, Education, and Welfare be made a part of the hearings record before your subcommittee.

The Full Funding Committee is most appreciative of the decision taken to report out a separate appropriation bill for fiscal year 1976, and for your inclusion in that bill of forward funding of some programs administered by the Office of Education. The early decisions of the Congress in this area permit better planning for the use of the funds provided which should result in a more economical and efficient use of the funds.

With kindest regards,

Sincerely,

CHARLES W. LEE,
Executive Director.

Mr. Chairman, the Committee for Full Funding of Education Programs, a nonpartisan, broadly based, informal coalition, of individuals, educational institutions, associations, and other concerned organizations, has, since 1969, annually striven to achieve adequate Federal support for all levels of the Nation's educational structure.

We welcome and appreciate the courtesy of the subcommittee in giving us this opportunity to share with you our concerns about some aspects of the proposed budget.

In reviewing the estimates presented by the administration for fiscal year 1976 funding and the forward funding of fiscal year 1977 for programs administered by the Education Division of the Department of Health, Education, and Welfare, we regret to report that once again we find we are constrained to urge that you and your colleagues on the subcommittee increase materially the estimates presented for the 18-month period beginning July 1, 1976.

CURTAILMENT OF FEDERAL EDUCATIONAL ROLE

With respect to elementary and secondary education, which in fiscal year 1975 provided a Federal share of 9 percent of the cost of education, the administration proposals for fiscal year 1976, if adopted, would permit a Federal share of but slightly more than 6 percent.

For higher education, in student assistance alone, the additional $390 million for the basic opportunity grant program requested, does not make up for the decreased funding proposed for the supplementary opportunity grant and the direct student loan programs of $560 million.

In fiscal year 1975, the total student assistance funding level was $1.23 billion; for fiscal year 1976, the administration contemplates $1.05 billion. Despite these reducations, the basic opportunity grant program is expected to accomodate an additional year of student support, and additionally, to fund part-time students, previously not covered.

Since further, the average grant is expected to increase from $600 to $800 per student for the year, unless additional funds are provided, there can be no other conclusion reached, but that the numbers of young people assisted would be materially reduced.

INFLATIONARY EFFECT

Holding Federal educational funding to fiscal year 1973 levels, given the inflationary history of the past year which ran in excess of 10 percent, and accepting an optimistic forecast of but a 6- to 8-percent rise for fiscal year 1976, countering the effects of inflation alone would necessitate the addition of more than $600 million to the Education Division programs beyond the amounts provided for fiscal year 1975.

If sums of this magnitude are not provided, we must recognize that a decrease in educational goods and services of that amount of buying power is inescapable. We suggest that in a period of recession, when the economy requires stimulation from Federal sources, education provides, because of its labor intensive nature, an excellent channel for productive investment.

DUBIOUS BASE OF THE ESTIMATES PROVIDED BY THE ADMINISTRATION

Perhaps a basic objection to much of the data provided the subcommittee by the administration is that all comparisons with fiscal year 1975 were made using figures which presupposed that the Congress would accept rescissions being proposed by the administration, for educational activities. That premise is no longer tenable, because of the actions flowing from congressional passage of the third rescission bill.

Again, many of the administration projections for fiscal year 1976 were based upon the questionable premise that new authorizing legislation would be enacted in time to redirect the money appropriated for fiscal year 1976. Such assumptions need to be discounted in view of the status of the proposed authorizing legislation.

All programs that are covered by the contingent extension authority of the General Educational Provisions Act, can and, we believe, should be funded in accordance with current statutory requirements. Funding proposals based upon the hypothetical future passage of controversial enabling legislation should be held in abeyance until the time arrives when a future supplemental appropriations bill is under consideration to which they then might be relevant.

ACTUAL CUTS BY PROGRAM IN FISCAL YEAR 1976 ESTIMATES

The overall figures presented in the estimates may easily distract attention from the very serious nature of the actual decreases for specific programs being advocated. Following is a table detailing the actual program cuts proposed:

TABLE I

[In thousands of dollars]

Program category	Fiscal year— 1975 appropriation	Fiscal year— 1976 budget request	Decrease
Elementary and secondary:			
Bilingual education	84,270	70,000	14,270
Follow Through	53,000	41,500	11,500
Educational broadcast facility	12,000	7,000	5,000
Environmental education	1,900	0	1,900
Subtotal			32,670
Impact aid:			
Public Law 874:			
(a) Child	223,900	162,000	61,900
(b) Child	354,616	40,000	314,616
Special provisions	14,500	8,000	6,500
Public Law 815 school construction	20,000	10,000	10,000
Subtotal			393,016
Vocational education programs	552,798	530,167	22,631
EPDA:			
Urban/rural	5,541	4,212	219
Career opportunities	1,784	0	1,784
Categorical programs	814	0	814
Vocational education	9,000	0	9,000
Higher education	2,100	0	2,100
Subtotal			36,658

TABLE I

[In thousands of dollars]

Program category	Fiscal year— 1975 appropriation	1976 budget request	Decrease
Elementary and secondary:			
Bilingual education	84,270	70,000	14,270
Follow Through	53,000	41,500	11,500
Educational broadcast facility	12,000	7,000	5,000
Environmental education	1,900	0	1,900
Subtotal			32,670
Higher education:			
Student assistance:			
Supplementary opportunity grants	240,300	0	240,300
College work-study ($119,800 approved by House in emergency supplemental not included)	300,200	0	300,200
Direct loans:			
Federal capital cont	321,000	0	321,000
Institutional loans	2,000	0	2,000
Institutional assistance:			
Language training and area studies:			
Centers, fellowships, research	11,300	8,640	2,660
Fullbright-Hays fellows	2,700	1,360	1,340
University community services (title I HEA)	14,250	0	14,250
Aid to land grant colleges:			
Annual appropriation	9,500	0	9,500
Permanent appropriation	2,700	0	2,700
State postsecondary education			
State administration	1,000	0	1,000
Comprehensive planning	2,000	0	2,000
Veterans cost of institute	23,750	0	23,750
Cooperative education	10,750	8,000	2,750
Personnel development:			
College teacher fellowships	4,000	1,000	3,000
Public service fellowships	4,000	0	4,000
Mining fellowships	1,500	0	1,500
Ethnic heritage studies	1,800	0	1,800
Subtotal			683,750
Library resources:			
Public libraries:			
Services	46,364	10,000	36,354
Interlibrary cooperation	2,594	0	2,594
College library resources	9,975	0	9,975
Training and demonstration	3,000	0	3,000
Undergraduate institute equipment	7,500	0	7,500
Subtotal			59,433
Higher education faculty loan and insurance fund	2,701	2,192	506
Total decreases			1,20039

Education of the handicapped: Rescission requested of $102,500 for fiscal year 1975 and fiscal year 1976: $52,500 for fiscal year 1975 and $50,000 from forward funded fiscal year 1976. Action by both House and Senate denied request.

In short, the administration proposes that $1.2 billion, as provided in fiscal year 1975 for the foregoing programs be eliminated, and unavailable for obligation in fiscal year 1976.

Cuts of this magnitude would seem to be occasioned more by a desire to shift policy with respect to the Federal role in the support of education, rather than with a simple retrenchment approach. This shift in emphasis—of turning funding responsibility over to other governmental levels—can, of course, be properly done through modification of the authorizing statutes, rather than through use of the funding process. But that it is a policy shift, gains credance as a concept as the increases proposed are reviewed.

EXAMPLES OF EMPHASIS SHIFT

Impact aid

$3 million increase is proposed for Public Law 874 to meet the full entitlement costs of children who attend school on Government property. It is a required payment in connection with other Federal activities.

$393,016,000 in decreases to 3,500 school districts would have to be made up by offsetting increases by State and local school authorities, since the per child cost continues. Federal support of partial costs of the education of children would decrease from 2.1 million children to 997,000 children.

Library resources

$20 million increases are proposed to fund a new replacement library program, whose draft language has yet to be introduced, yet

$59,433,000 in decreases, are advocated on the basis that the cost could be assumed by State and local sources.

Yet, part of the argument advanced in support of the shift is that general revenue sharing moneys, in the amount of $82 million are available. The argument ignores the fact that only 14 percent of libraries have received general revenue sharing money, and that in the case of those that did receive it, in 46 percent of the cases the revenue sharing money was used to supplant, rather than to supplement, State money previously made available. Indeed in some jurisdictions there was little, if any, money made available in addition to that previously received. In Wisconsin, for example, 99 percent of the revenue sharing received was to replace State money no longer supplied. In Virginia, 97 percent of the funds were in this category, as were 76 percent of the California moneys.

Student assistance

$414 million increases in basic opportunity grants and State incentive grants are more than offset by,

$613,500,000 decreases in supplementary educational opportunity grants, college work-study, and NDEA title II direct student loans.

These shifts from the Federal to the individual, or to the State would, unless modified by the Congress, sanction decreases affecting students adversely, as follows:

The increases would aid an estimated 312,000 students. The decreases would affect an estimated 851,000 students, for a total net decrease of 539,000 students assisted. These students would need to find alternative financing sources or forego or delay postsecondary education.

The administration action assumes that the student needs could be met from State support, or by increased use of the guaranteed loan program. Yet, the developments in that program, raise questions as to whether the administration assumption is either a realistic or a desirable one from the standpoint of public policy. In any event, the point can well be made that substantial changes in policy, as expressed in statutes still operative, ought not to be made with budgetary tools, rather, if warranted, they should be accomplished in the orderly process of repeal of amendment of the authorizing statute.

SUPPORT FOR ADMINISTRATION INITIATIVES

In presenting those analysis of the Education Division estimates, it would be one sided not to take note of one area where estimates have been presented to fund new authorities, or rewritten authorities, as in the case of the Special Projects Act, which increased funding by $20,093,000 to the fiscal year 1975 base. The authorization for these programs is $200 million. The full request for $38.933 million thus represents an appropriation recommendation of one fifth of the ceiling for fiscal year 1976. The areas covered by the Special Act are of ever increasing importance—the conversion to the metric system, the discovery, encouragement and curriculum needs of gifted and talented children, consumer information, career education, women's educational equity,—all are deserving of, and will repay investment in, increased levels of Federal support.

The $6,100,000 increase contained in the estimates for the National Center for Educational Statistics is welcome. The program could, however, better serve the Congress and the Nation if the full authorization of $25 million were to be provided.

In fiscal year 1976, we will be expending for all education, all support sources and levels, in excess of $110 billion. $25 million, the authorization ceiling, thus represents, for this basic data gathering and interpreting function, the equivalent of spending 25 cents to keep track of, and gather information about, an educational expenditure of $1.1 million.

In this connection, additional sums provided beyond the requested amount, might well be accompanied by committee report language direcitng that a computer programing system be established with respect to eductaional funds from Federal sources, which would produce a complete report by congressional district, of dollars received by program authority, by recipient institution or agency, each year. Such an informational resource could easily be used in evaluating the effects of proposed budget changes for programs, the analysis of formula changes in legislation proposed, and in many other useful and informative ways.

In a similar fashion, with respect to the National Institute for Education, additional sums over the budget estimates, should be provided in order that essential studies in important educational areas might be funded directly from amounts provided that agency, rather than by having program money appropriated under other authorities, transferred to NIE to the detriment of the field operations of the transferring agency.

BILINGUAL EDUCATION

A review of the estimates in many areas causes concern. An example may be found of the difficulties posed by the inadequate level of funding for a program such as title VII, of the Elementary and Secondary Education Act of 1965, as amended. In fiscal year 1974, 383 bilingual projects serving 236, 125 students were supported. For fiscal year 1976, only 289 projects are contemplated, serving but 201,390 students.

In fiscal year 1974, inservice training was provided 9,000 teachers; in fiscal year 1976 it is contemplated that but 4,000 teachers will be given this type of training.

Yet the Office of Education estimates that between 1.8 million to 2.5 million children have limited English-speaking ability, and that there is a need for some 100,000 teachers to work with them. It is also to be regretted that no estimate was submitted for sec. 702(b)(2) of title VII for this coordinating mechanism provided to the State educational agencies in the authorizing law is most needed, particularly those States who are under court order in this area.

The disparity between the admitted needs in the bilingual area, and the limited funds recommended to deal with the problem need to be resolved, by congressional action for the requested funds are patently understated.

ADULT EDUCATION

Under the estimates for adult education, whose authorization is $210 million, $67,500,000 is requested. The program is focused upon the educational needs of 52.5 million citizens, 16 years or older, who are functionally illiterate. Its aim is to help them become employable, productive, and responsible. As recommended, less than 1 million adults can be reached at the funding level advanced. Again, these basic facts speak for themselves. The return to the Nation, State and community of increased Federal investment in this area, is manifest.

CONSTRUCTION NEEDS

At a time when the national economy needs the Federal stimulus, we call to the attention of the subcommittee the reservoir of unmet educational construction needs in three areas. Under Public Law 815, there is an unmet backlog of $300 million worth of elementary and secondary school construction which is eligible for funding; there is renovation, repair, and modernization work which could be accomplished in our college classrooms and libraries of more than $380 million; and the investment of $50 million in public library construction would generate an additional $150 million from State and local funds to provide $200 million for our public libraries. The projects are approved, or approvable with little time lost, when the money is forthcoming. An important additional benefit from such a capital investment, is the fact that such an investment would generate new jobs directly in the construction industry, and secondarily, in the industries which serve it. Using the yardstick of 36 jobs created for each million dollars available for school construction, and a similar factor for educational broadcasting facilities, which has an authorization of $30 million, although the administration is recommending only $7 million for fiscal year 1976, at a highly conservative estimate, some 70,000 new positions could be filled to work on our higher education structures, and an additional 20,000 new jobs would be made available in our schools at the elementary and secondary levels and in extending and improving our educational television facilities.

RECOMMENDATIONS

In this review, not all meritorious programs have been dealt with in depth, nor has the case been made as well as in the direct testimony the subcommittee has received from those most closely concerned in the operations of the Education Division as it affects their constituency. Representatives of vocational education, exceptional children, proponents of Follow Through, right to read, the area studies and language training centers—all can and have brought to the subcommittee their special knowledges, insights, and recommendations, the guidance counselors, the student finance officers, the school superintendents and the college deans have each sought your assistance in providing adequate financing for the coming fiscal year, so that they could do a better job in helping your constituents and their children prepare for the final decades of this century and the opening decades of the next.

The few programs we have dwelt upon, have been mentioned to illustrate some general principles, but we would certainly wish to support those who shared with you their factually based concerns, and to associate the Committee for Full Funding with the views they have expressed.

In closing, we would ask the subcommittee to review the forward funding provided in the fiscal year 1975 appropriation bill, in the light of subsequent developments, and to add in the bill you are reporting, such additional sums as may now be necessary to bring them up to levels more appropriate.

While we recognize each year, that the appropriations provided are necessarily the result of the allocation of scarce resources among many competing and justifiable needs, all of whom have been found to have merit through their enactment, and consequently the full funding of any program is likely to be the exception rather than the rule, we still believe that the best objective measurement of the needs that exist in education, and in our society, are those set forth in the authorization ceilings of the enacted statutes, and therefore we urge that the appropriations action this year, and every year, be a closer approximation of the amounts that the Congress and the President have found, in the authorizing law to be a legitimate claim on the Treasury.

We further urge that program change and policy shift be reflected, not as the administration has consistently sought to do through the appropriation process, but rather through the controlling authorizing laws. We would urge that the appropriations committee use its power and authority to provide initial funding to each authorized activity, such as those cited earlier—the cost of education payments funding for the first time is an example—and by so doing indicate to the administration that it expects merit based recommendations both as to programs it favors and chooses to fund, and as well, program based reasons for nonfunding of authorized activities. Unless the record is complete, open and frank in these areas badly needed, and meritorious initiatives may unintentionally be overlooked.

The major recommendation we would make to the subcommittee is that in considering the Education Division budget for fiscal year 1976, it reject those areas of decrease below fiscal year 1975 and using an earlier year as a base to which to apply a corrective factor for increased costs so that the total educational goods and services available be not reduced.

Each component of the Nation's educational structure is mutually interdependent. Assistance from the Federal level addressed to any part has beneficial results ultimately to every part. But each level of education, has for the coming year, financial problems, greater than ever before. Fuel costs at the post-secondary level, as much as at the elementary and secondary levels, affect directly the educational goods and services offered in the classrooms of each. Vocational training, adult education, is never more important than in a time of economic recession. The elimination of the use of endowment funds to replace federal funds withdrawn, as in the case of the land grant colleges, who have been eliminated in the estimates, can only have an adverse effect upon the quality of education offered by those institutions, and it is the student who loses.

Thank you for your courtesy in considering these views.

STATEMENT BY LOWELL A. BURKETT, EXECUTIVE DIRECTOR, AMERICAN VOCATIONAL ASSOCIATION

Mr. Chairman and members of the subcommittee; this statement is presented for consideration as the Appropriations Subcommittee for Labor-HEW deliberates on Federal appropriations for vocational education for fiscal year 1976. We wish to express appreciation to the Congress and especially to the members of this subcommittee for the support given to vocational education. We realize your great concern for the continued development of vocational education in this Nation and we are making funding recommendations in light of this concern.

It is understood that section 102(b), parts A, C, D, F, H, and I of Public Law 90–576 expire June 30, 1975. There is, however, authority to fund these programs for a 1-year extension under the General Education Provisions Act. We request funding for 1 year under this authority. Committees in the House and Senate are currently holding hearings to consider needed changes in Public Law 90–576. Because it is almost certain that new legislation will not be enacted prior to June 30, 1975, and because proposals for funding contained in the President's budget for fiscal year 1976 are not contained in authorizing legislation, we urge you to appropriate funds for fiscal year 1976 under the categories contained in Public Law 90–576.

Vocational education is the major delivery system for preparing the Nation's work force. Programs are for secondary school youth, young adults in postsecondary institutions, adults needing upgrading or retraining in employment, and the unemployed or underemployed disadvantaged. The increased interest in vocational education on the part of many publics is the result of emphasis that you and other Members of Congress have given to the need for preparing individuals for a changing world of work. This emphasis is very significant now when the Nation's work force is experiencing a high rate of unemployment and we speak of a need to increase productivity.

Since the enactment of the Vocational Education Act of 1963 and the Vocational Education Amendments of 1968, funding has been increased each year. We are happy to report that much progress has been made in implementing programs authorized by the Vocational Education Amendments of 1968. Because of the increased demands for vocational education, the program is experiencing approximately a 9-percent growth each year. New programs are being instituted to meet the current needs of business and industry, including increased service to the adults who need training and retraining for employment. In every State, changes are being accomplished in cooperation with the Nation's business and industry, in an effort to assure that vocational education programs are sensitive to the problems of the economy. State and local support for vocational education continues to expand. Currently, an average of approximately $5 of State and local funds are expended for vocational education for every $1 of Federal funds. Overmatching in some States is as high as 10 to 1.

Although progress is being made, there are several concerns that have a bearing on the future development of vocational education and that relate to our funding request.

(1) An annual growth rate of 9 percent in enrollment in vocational education has created a need for expanded programs and funding.

(2) An annual inflation rate of approximately 10 percent during recent years has created funding deficiencies in vocational education programs.

(3) The need for vocational education for unemployed or underemployed adults is greater during a period of high unemployment and recession because of the competition for trained and skilled workers.

(4) The need to improve the quality of personnel and leadership in vocational education is increasing due to the complexity of instructional programs and changes in the job market.

(5) The need for applied research by vocational educators continues in order to make program improvements and design programs for new and emerging occupations.

(6) Curriculum development activities are needed to maintain the quality of instructional materials used in the classroom and laboratory in order to assure relevancy in meeting the training needs of business and industry.

NEED FOR FEDERAL APPROPRIATIONS

The American Vocational Association requests $746.3 million to fund the Vocational Education Amendments of 1968 during fiscal year 1976. We urge consideration be given to include language that recognizes the need for these funds for expanded adult training programs designed to impact on the Nation's productivity. *In addition, we request $11.2 million for EPDA, part F and $10 million for career education.* Our request for the various parts of the Vocational Education Amendments of 1968—Public Law 90-576—is as follows:

Basic vocational education programs (VEA, pt. B): Basic grants to States	$504,000,000
Programs for students with special needs (VEA, sec. 102(b))	60,000,000
Consumer and homemaking (VEA, pt. F)	50,000,000
Work-study (VEA, pt. H)	55,000,000
Cooperative education (VEA, pt. G)	25,000,000
State advisory councils (VEA, pt. A)	4,316,000
Vocational research:	
Grants to States for innovative (VEA, pt. D)	18,000,000
Curriculum development (VEA, pt. I)	10,000,000
Grants to States for research (VEA, pt. C)	20,000,000
Total	746,316,000
EPDA (pt. F, sects. 552, 553, 554)	11,268,000
Career education (Education Amendments of 1972, sec. 303(a)(2), amendments to the Cooperative Research Act)	10,000,000

Our rationale for these figures is given on the following pages and is based on the fact that:

(1) Vocational education enrollments have been growing at an annual rate of approximately 9 percent for the past several years.

(2) Demands for vocational education programs are greater than ever before.

(3) Inflation of approximately 10 percent per year is increasing costs at an unanticipated and unpredictable rate.

(4) Every Federal dollar invested for vocational education generates $5 of State and local funds.

(5) Preparing persons to become employable through well established vocational education systems is cost effective.

(6) More adults will need to have access to job training and/or retraining programs in a high unemployment economy than during a normal economy.

ENROLLMENT DATA

For fiscal year 1973, the enrollment in vocational education was 12,072,445. Enrollments were distributed as follows: Secondary—60.9 percent; postsecondary—11.2 percent; and adult—27.9 percent. Since enrollment in vocational education has increased at approximately 9 percent per year, we anticipate that enrollment in vocational education for fiscal year 1976 will be approximately 15,700,000 individuals with a minimum of 5 million of these to be adults.

The dramatic impact of vocational education upon the total population is shown by the substantial increases in enrollment per 1,000 total U.S. population as shown on the following page.

	Total enrollment in vocational education	Enrollment in vocational education per 1,000 total population
Fiscal year:		
1961	3,855,564	21.4
1966	6,070,059	31.3
1971	10,495,411	51.6
1972	11,602,144	56.3

At a time when the overall enrollment in the public schools is decreasing, vocational education enrollment continues to increase. Although vocational education enrollment continues to increase, the secondary enrollment in vocational training programs for fiscal year 1976 is projected at less than 40 percent of the total high school population. The projected adult enrollment is less than 4 percent of the adult population of this Nation. These enrollment figures become meaningful when approximately 80 percent of the Nation's work force requires education and training of less than a baccalaureate degree in order to perform successfully on the job.

Project Baseline, a study of vocational education, authorized by Congress has found that:

(1) In addition to increases in enrollment, vocational education programs have become more comprehensive.

(2) A review of enrollments indicates that vocational education enrolls a high percentage of minority groups.

(3) Vocational education is undertaking new programs as the result of research and curriculum development funded under Public Law 90-576.

(4) Vocational education has made a definite favorable impact on the employment market.

(5) Programs of vocational education cover occupations in which an overwhelming majority of workers are employed.

PROGRAMS OF NATIONAL INTEREST

In 1968 Congress provided that special attention should be given to certain groups of people such as the disadvantaged (VEA, section 102(b)). In addition, certain other programs were emphasized as worthy of categorical emphasis. These programs included consumer and homemaking education (part F), cooperative education (part G), work-study (part H), and research and curriculum activities (parts C, D, and I). These areas of special categorical emphasis remain vital for funding during fiscal year 1976. The foresight displayed by Congress in establishing these special emphasis areas must be upheld.

Even though the administration's budget document suggests that it would propose new legislation, there is still no evidence that it will be forthcoming soon enough to be enacted this fiscal year. It is more appropriate that funding for fiscal year 1976 be based upon existing legislation utilizing the 1-year extension authorized under the General Education Provisions Act. We urge the Congress to appropriate funds for fiscal year 1976 under the authority of Public Law 90-576.

CONSUMER AND HOMEMAKING EDUCATION (PART F)

The American Vocational Association urges this committee to approve an appropriation of $50 million to fund part F (Vocational Education Amendments of 1968) for consumer and homemaking education. Federal funds for this program have generated solid support at State and local levels, to the extent that 4.5 million students are projected to be enrolled next year in all consumer and home economics programs.

Home economics offers the only opportunity for students at the secondary level to gain knowledge and experience in areas that are central to our primary social unit, the family. Through studies in parenting and child development, resource management, consumer decisionmaking, nutrition education, food preparation and preservation, and housing, home economics has a major role in helping students gain an appreciation of family, particularly in terms of developing values, making decisions, and establishing interpersonal relationships.

For altogether too many years, home economics has been viewed primarily as a program for girls and women. This picture has been changing, but rather slowly. Approximately 12 percent of the current enrollment in home economics is male.

The regulations for title IX (Education Amendments of 1972, Public Law 92-318), stipulate that home economics will no longer be a course for girls only; rather, it must be open to all students. We believe this step is in the right direction and we will be working with home economists, teacher educators, administrators, and others to make certain that male students are enrolled in these courses, and that such courses are relevant to them. This action creates many changes for the field of home economics, and is one that necessitates increased financial resources.

There is also a great need for home economics courses at the postsecondary level. In the more than 2,800 area vocational schools, technical institutes, and community colleges of this Nation, all too often we find an absence of home economics courses. We believe that these institutions, with their commitment to providing employment training as well as serving educational needs of all adults, should offer more home economics courses to help young parents and older adults cope with the economic and social pressures that confront American families—whether single or married. If our country is to make significant progress in solving the problems of unemployment, underemployment, welfare, energy and food shortages, nutrition and consumer education, we must begin to find ways to further strengthen American families. This is the central goal of home economics education.

We believe that $50 million for this program is justified, particularly in view of the two areas where we have indicated that expansion and growth should occur.

PROGRAMS FOR STUDENTS WITH SPECIAL NEEDS (SECTION 102(B))

Vocational educators have continued to emphasize instructional programs for thousands of disadvantaged and handicapped students as they are enrolled in regular vocational education programs. Most instructional systems provide teachers and facilities to enable the disadvantaged and handicapped student to participate and succeed in a regular vocational education program. This emphasis prepares the special need student to succeed better in the surroundings they encounter in every day life. Our request for greatly expanded funding for special needs programs is based on projections that enrollment in these programs would be 2.3 million individuals in fiscal year 1976. The need for expanded programs for disadvantaged young adults 16–25 years old to provide training for employment is imperative. This age group ranks the highest in unemployment in the United States at the present time. For this reason we are requesting an appropriation of $60 million to conduct programs for the disadvantaged.

WORK-STUDY (PART H)

The goal of Congress to make vocational education "available" to all people of all ages in all communities can be enhanced considerably by student support programs which make it possible for needy students to take advantage of vocational education offerings. Without such provision, many students cannot afford to remain in school. Work-study programs have been successful in practice and should continue. Expanded program goals for unemployed and underemployed youth, particularly dropouts or potential dropouts, makes work-study provisions an imperative aspect for expanding vocational education programs.

During fiscal year 1973, a total of 33,000 students were served by this program. We urge an appropriation for work-study of $55 million. This greatly increased request is to provide work-study opportunities for an additional 225,000 in-school youth who need earnings due to family unemployment. The emergency nature of this request is due to the need developing among many unemployed to have alternative methods of financial support in order to keep the youth in school.

STATE AND NATIONAL ADVISORY COUNCILS

A vital part of the planning process for vocational education has been and must continue to be the State and National Advisory Councils. During the last 5 years, advisory councils have demonstrated a viable relationship as a communication link among labor, management, education, business, industry, the public at large, and special interest groups. Approximately 1,500 persons are involved as members of NACVE and SACVE. These councils provide a sounding board for public opinion at local and state levels. Prior to the Vocational Education Amendments of 1968 no systematic basis existed to encourage the public to be concerned with an educational program solely devoted to the vocational interests of people. To enhance State-wide planning, we urge continued support for the State and national advisory councils.

COOPERATIVE EDUCATION (PART G)

The continued emphasis on job training programs that are relevant to the needs of business and industry have created a growing interest in cooperative education. A program designed to permit supervised work experience through on-the-job training consistent with the needs of an employer is vital to vocational education. For this reason, we urge continued funding for cooperative education. The $25 million figure requested for fiscal year 1976 is less than half that authorized by Congress. With a projected enrollment of 63,000 students for fiscal year 1976, the program of cooperative education continues to make a contribution to the employment needs of the Nation.

VOCATIONAL RESEARCH, CURRICULUM DEVELOPMENT AND INNOVATION

There continues to be recommendations and efforts by some to remove the Research, Curriculum Development and Innovation functions authorized in Public Law 90-576 from the realm of responsibility of vocational education. In light of the past performance of the National Institution of Education relative to vocational education, we feel it is imperative to maintain funding for parts C, D, and I of Public Law 90-576. While we do not debate the need for a coordinated national program of education research, we feel the interest of vocational education must be met with applied research at the State and local levels accomplished by vocational educators aware of the programs and their potential for impacting on the employment needs of a Nation. Traditionally, much of the leadership of the U.S. Office of Education and the NIE has not sought strong roles in vocational education and manpower training. In addition, personnel familiar with vocational education programs and the role they play in the Nation's economy are not visible in the National Institute of Education. For these reasons, we question the advisability of placing responsibility for any research, curriculum development or innovation related to vocational education with NIE.

Grants to States for research (part C), curriculum development (part I) and grants to States for innovation (part D) have stimulated major efforts to update and re-orient vocational education. Funds are essential for research and development in order to continually explore avenues for program improvements as well as developing programs for newly emerging occupations.

Increased funding is needed for curriculum development since the quality of instruction is contingent on the quality and relevance of materials used in the classroom. To keep abreast of changing employment requirements, existing curricula must be constantly revised while the need to develop curricula for new and emerging occupations is critical to the development of vocational education programs nationally. The curriculum development funds must be available if vocational education is to maintain its program integrity and not be falsely identified as a general curriculum.

Programs funded through part D, innovation, have encouraged development of exemplary programs. These programs have proved to be a vital force in introducing new program concepts and in encouraging States to assume broader resonsibilities with respect to vocational education.

Programs funded under parts C, D, and I address quality control and development which are absolutely essential in order for the field to keep current with changing educational and occupational requirements.

EDUCATION PROFESSIONS DEVELOPMENT ACT (PART F, SECTIONS 552, 553, 554)

Each of these three EPDA sections are essential to the proper development of vocational education in the United States. Funds spent for leadership development awards (section 552) represent one of the exceptionally high return investments the Federal Government has made. Section 553, has enabled the States to reach into local districts and speed up leadership development among local districts. Section 553 has improved the ways and means that local school work with the community, and has affected standards of performance for the delivery of vocational education. Section 554 has enabled the U.S. Office of Education to provide national workshops and symposia that are vital in stimulating effort among the States and strengthening unity of purpose toward excellence of performance for vocational education. These sections of the Education Professions Development Act are essential to the continuation of quality in vocational education, and they should be included in the appropriations for fiscal year 1976. The $11.2 million requested for vocational education EPDA for fiscal year 1976 is the same as the appropriation for fiscal year 1974. Recommendations to fund many other EPDA programs under vocational education do not encompass understanding of the needs of personnel development in vocational education and should be viewed in light of desirability for programs of vocational education.

CAREER EDUCATION

The American Vocational Association supports funding career education to enable the continued development of this national thrust. The association has a resolution stating, "Be it resolved, that the American Vocational Association strongly support alternative sources of funding for career education in addition to those appropriated for vocational education." Presently and historically vocational educators have realized the need for comprehensive programs designed to make students aware of the occupational areas and orient them toward employment as they seek to explore the various occupational opportunities. For this reason, we feel it important for Congress to fund the activities of career education.

The language contained in the Education Amendments of 1972, section 303 (a)(2) and the Conference Report 92–798 indicate an authorization for career education of $14 million. We feel $10 million for career education during fiscal year 1976 can be justified.

CONCLUSION

In summary, the American Vocational Association is requesting $746.3 million for the Vocational Education Amendments of 1968, $11.2 million for EPDA, part F, and $10 million for career education. These requests are made with the understanding that section 102(b), parts A, C, D, F, H and I of Public Law 90-576 expire June 30, 1975. There is, however, a 1-year extension authority under the General Education Provisions Act. Our requests are made based on this authority.

We have presented the rationale for funding for fiscal year 1976 for your consideration and appreciate your continued interest and support of vocational education.

DR. HOWARD HITCHENS, DIRECTOR, ASSOCIATION FOR EDUCATIONAL COMMUNICATIONS AND TECHNOLOGY

I am the executive director of the Association for Educational Communications and Technology (AECT), an affiliate of the National Education Association.

I hold my B.A. from the University of Delaware, an M.A. from Teachers College, Columbia University, and a Ph. D. in instructional communications from Syracuse University. During more than 26 years of service in the U.S. Air Force, I served as an instructor at Mather Air Force Base, Calif., for 4 years and at the Air Force Academy in 1957 as chief of the Film and Television Division of Audiovisual Services, and later as associate professor and director of its media program from 1959 until 1969 (except for 2 years spent at Syracuse University completing my doctorate). I am a member of Phi Delta Kappa, American Educational Research Association, National Society for Performance and Instruction, National Society for Study of Communications, National Association of Educational Broadcasters, and have served on the board of directors of AECT before assuming my present position. I am presently the president of the educational media council and a past officer of the Joint Council on Educational Telecommunications.

AECT is a professional association of some 8,000 educators whose aim is to improve the educational environment available to learners at all levels through the application of technological solutions to instructional problems. Our members have a wide range of responsibilities including the study, planning, application and production of communications media for instruction.

I wish to share with you and the members of the subcommittee information regarding the impact that educational technology has had on American education and discuss the benefits that have accrued as a result of Federal support in this area.

Educational technology as process, not machinery.—In order to insure that my remarks are understood in their appropriate context, I would like to clarify the concept of educational technology as promoted by the association I represent.

Educational technology is neither hardware (movie projectors, computers, teaching machines) nor software (films, worksheets, maps), although both of these categories of items are part of the domain of educational technology. Rather, educational technology is a process, or system—rooted in learning theory and communications research—that enables the learner to learn effectively and efficiently. The technology of eduaction is dynamic, and includes the planning, design, application and evaluation of learning resources.

A recent study performed by the California State Department of Education demonstrates this process approach in describing technology as more than just an equipment program. The study indicated:

Some of the present uses of media in California schools as reported herein indicate a recognition of components of the process function of technology. Many schools are doing one or more of the following:

(*a*) Conducting a needs assessment with the community and of students.

(*b*) Developing objectives for instructional units within a course or grade level program.

(*c*) Selecting or developing alternative methods and materials for student learning within a course or topic of a program.

(*d*) Using a variety of resources to achieve their learning goals.

(*e*) Developing evaluative procedures.[1]

Although the study reported these measures were not yet widespread, we feel they are a positive step toward improving education.

The use of media (hardware and software) is only one means of delivering information to the learner, and it not perceived as the panacea to all learning problems. Used properly however, as an integral part of the teaching-learning process, media does make unique and valuable contributions to the learning environment.

Educational technology has stimulated the individualization of instruction so necessary in light of the increasing rates of national mobility and cultural change. Its use has freed teachers from some of the more routine aspects of instruction and has helped them become one of several sources of information in the classroom. Technology has helped to close the gap between the information levels inside and outside the classroom, and has helped to offset the sometimes adverse effects of economics and geography on the quality of a student's education.

Educational Technology in Schools Today.—Today's students, more than previous generations, present a challenge to the educational system. They spend many of their waking hours in front of the television viewing everything from Sesame Street, to the evening news to the afternoon "soap operas." They are more aware of the world around them. And in this kind of atmosphere, it becomes increasingly difficult to meet the educational needs of these students.

Recognition of the range of individual student differences present in today's classroom can be expected to continue and to increase. As inquisitive youngsters are challenged and stimulated to achieve their full potential, the need for new and effective educational materials to support responsive instructional programs becomes even more critical. Each student perceives and interprets the variability of instructional materials in light of his own experimental background and learning style. No single instructional vehicle will reach all students with equal results, or develop all aspects of a topic or concept.

We feel that the use of educational technology and media in education can assist us, as educators, in providing the variety of learning styles needed by today's students. This is the premise of a recent publication of my association. That publication, Media Programs: District and School, offers a guide to school administrators, supervisors, business managers, boards of education, and school architects who seek responsible criteria for establishing, maintaining, and evaluating media programs. The introductory paragraphs of that book state:

"Those who would create better educational opportunities must strive to develop comprehensive systems that meet the needs of students of differing abilities, backgrounds, and interests, enabling them both to adjust to and influence the changing society in which they live. Media programs, which reflect applications of educational technology, communications theory, and library and information science contribute at every level, offering essential processes, functions, and resources to accomplish the purposes of the school."

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[1] P. E. Patterson, "Educational Technology for California Public Schools: A Report to the California State Legislature." California State Department of Education, January 1974, pp. 9–10.

Media and technology have become an integral part of today's educational process. Again quoting from Medias Programs: District and School.

"Programs of media services are designed to assist learners to grow in their ability to find, generate, evaluate, and apply information that helps them to function effectively as individuals and to participate fully in society. Through the use of media, a student acquires and strengthens skills in reading, observing, listening, and communicating ideas. The learner interacts with others, masters knowledge as well as skills, develops a spirit of inquiry, and achieves greater self-motivation, discipline, and capacity for self-evaluation. With a quality media program a school can challenge its members to participate in exciting and rewarding experiences that satisfy both individual and instructional purposes.

"The media program exists to support and further the purposes formulated by the school or district of which it is an integral part, and its quality is judged by its effectiveness in achieving program purposes. A media program represents a combination of resources that includes people, materials, facilities, and environments, as well as purposes and processes. The combination of these program components and the emphasis given to each of them derive from the needs of the specific educational program."

A perspective of Federal support for educational technology.—Federal funds have played an important role in supporting media and in making it an integral part of today's educational system. The California State Department of Education survey quoted previously demonstrated the growth of educational technology and the important role Federal funds played. The results of the study are based on a questionnaire sent to 400 selected school districts in the State. Of the districts responding to the survey, 85 percent reported they were using technology in the 1970's as opposed to only 2 percent using technology in the 1950's. The study states, ". . . it is obvious that the great influx of Federal funds provided the impetus for the introduction of new programs in educational technology. And as a comparison of the levels of funding is made, an observation becomes clear: local and Federal dollars predominated in the introduction of new programs and techniques." [2]

And equally as apparent as the introduction of Federal funds to increase the use of technology is the willingness of States and local districts to carry on the innovative projects that were begun with Federal funds. As reported in the study by California, even though Federal funds were used originally for innovation, the impact of the funds remained. The study states, "Most of the districts (using Federal funds for innovation) then integrated the programs into their regular curriculum, and nearly 50 percent indicated that the programs had been adopted and adapted by other school districts".

Federal aid to these educational programs is increasingly important this year as State and local government sare forced to curtail education spending. In a recent survey conducted by the Education Commission of the States, data collected from 34 States and several U.S. territories showed "inflation cause" cutbacks in school instructional materials in 64 percent of the responding States. The cost of education index appearing in School Management Magazine, January 1974, showed that the percentage of current expenditure per pupil for all instructional materials, including supplies, has declined from 3.9 percent in fiscal 1971 to 3.1 percent in fiscal year 1974; a decline of 21 percent.

These expenditures contrast markedly with the 84 percent of all current expenditures spent for employee salaries and benefits in fiscal year 1974.[3] As one of the last remaining labor intensive industries, a great hope for increased educational quality at lowest cost is by changing its capital-labor mix. We feel this is achievable through dramatically increasing the amount and variety of instructional materials. Such an increase is required if schools are to provide the materials—the basic tools—required by each teacher to obtain a reasonable return on the investment in staff salaries that schools are already making. In this sense the relationship between salary dollars and materials expenditures is a crucial variable that must be managed.

The most promising, viable, cost effective way of providing more effective education for our children and increasing the efficiency of present school staffs is by increasing the amount of instructional materials (the tools for learning and teaching) that we make available to instructional personnel. Increased instructional materials should enable teachers to perform more effectively by giving them the resources necessary to challenge and reach each student.

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[2] Ibid., pp. 8–9.

[3] School Division: Association of American Publishers, "Critical Concerns: 1975," New York.

We feel that only by increasing the instructional tools and equipment that teachers have available can schools safeguard the investment that they are already making in staff salaries.

A serious commitment to an effective educational program for all children requires the ability to equip our excellent teaching personnel with the tools they need to do the job.

Federal support for educational technology providing instructional materials and equipment on the elementary and secondary level has come largely from title III of the National Defense Education Act (equipment and minor remodeling) and title II of the Elementary and Secondary Act. This year, for the first time, we will be considering these programs combined along with the guidance and counseling portion of ESEA III under the consolidated program libraries and learning resources. Federal support on the higher education level has come from title IIA (college library resources) and title IVA (equipment and minor remodeling) of the Higher Education Act. Let me address each of these in turn.

Libraries and Learning Resources.—The libraries and learning resources program is authorized by title IV, part B of the Education Amendments of 1974 (Public Law 93-380). Funds can be used for three purposes: (1) acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools; (2) acquisition of instructional equipment (including laboratory and other special equipment, and audivisual materials and equipment suitable for use in providing education in academic subjects) for use by children and teachers in elementary and secondary schools, and for minor remodeling of laboratory or other space used by such schools for such equipment; and (3) programs for testing students, programs for counseling and guidance services for students, and programs, projects and leadership activities designed to expand and strengthen counseling and guidance services in elementary and secondary schools.

Funds are distributed to States on a formula basis. Each State further distributes funds to local education agencies on a formula basis. Decisions as to how the dollars will be spent are made at the local level.

It is very difficult at this time to provide convincing testimony as to the worth of the libraries and learning resources program. We have yet to see it in action because the consolidation will not begin until fiscal year 1976 and then only 50 percent of the funding will be consolidated. Today we are discussing fiscal year 1977, a year in which, assuming the contingencies are met, consolidation will be complete. I can't predict how the libraries and learning resources program itself will work. I can only provide some background information on the portions of the consolidated program with which we have had experience.

I would like to address myself primarily to the first of the two purposes discussed above—those previously served by ESEA II and NDEA III. These are the programs that members of my association have been involved with in past years. Before their consolidation, both programs were successful in their own right.

The programs have always been closely coordinated and mutually supportive. Many of the funds from ESEA II go for the purchase of audiovisual materials. Funds from NDEA III are used to purchase the equipment necessary to support the new materials.

In each of the last several previous fiscal years, ESEA II has benefited about 50 million pupils per year. Of the funds, about 96 percent actually reached schools with only 4 percent being returned for state administration. Reports from States indicate that title II funds have been used for a variety of purposes, from establishing and upgrading libraries, supporting special education programs in hospitals, and correctional institutions, providing materials in special areas such as career education or environmental education, development and revision of standards for instructional materials. The most recent fiscal year (fiscal year 1973) shows three significant trends in the use of ESEA II funds. First, there is a growing emphasis on right-to-read projects, many with evaluation components. In many States reading had the first priority, with a mandate to include plans to improve reading skills as a part of each title II project. Second, in response to the Education Amendments of 1972, increased emphasis was placed on the needs of elementary and secondary school children for materials relevant to occupational education. Finally, the impact of inquiry learning, individual study, ungraded classes, and other new techniques, plus the demand of new courses, many covering a wide range of social issues, has created rising pressures for new and varied media. During the first 8 years of the program, expenditures for audiovisual media rose from 19 to 48 percent of total ESEA II funding.

The emphasis on individualized learning and interdiscplinary study has produced a demand for materials in subject areas that hitherto were not taught or studied at most elementary and secondary schools. The availability of materials in new formats, such as cassettes, films, nad audiovisual items of many kinds, has made possible new forms of learning and teaching, but this trend has also increased the needs of schools for new instructional materials.

And with the development of new kinds of materials to meet the needs of today's student comes the need for equipment to use these materials. In the past fiscal years, over 60 percent of our 18,000 school districts have participated in the NDEA III program that provides that equipment. Originally, funds from the NDEA III program were used for the purchase of equipment used in science education. Since the program succeeded in improving education in that area, Congress recognized the need to expand the number of academic categories eligible for assistance. Funds can now be spent for reading, industrial arts, and the humanities. The number of eligible categories has more than doubled since the start of the program, but funds have not increased proportionately as new curriculum areas have been added. Emphasis has also shifted from the need for teacher-centered materials to the newer student-activity centered curriculums.

ESEA II and NDEA III are programs that do not work in isolation, but play an integral part in many areas of education and are coordinated with many other forms of Federal funding. ESEA title I projects have given high priority to funding educational equipment and training aids closely related to remedial education projects. As mentioned previously, ESEA II and NDEA III funds have played an essential role in the national Right-to-Read program. Funds from the programs have been used to provide equipment and materials for programs for the handicapped. They have assisted in developing and implementing bilingual programs, career education curriculums, and environmental education programs.

I have included as an attachment brief descriptions of some of the kinds of projects funded by ESEA II and NDEA II funds.

Need for funds.—For the entire libraries and learning resources programs we are requesting only $175 million for fiscal year 1977. We feel this figure is far from adequate, but we also feel we must temper our request due to the current economic situation in the country today.

The $175 million figure is based on the aggregate of the fiscal year 1973 funding levels of each of the programs contained in the consolidation. Fiscal year 1973 is considered an average year, by far not the best funding for the programs, but not the worst. It is the year for which the most recent sound data is available. In fiscal year 1973 these were the funding figures:

	Millions
ESEA II	$100
NDEA III	50
ESEA III (guidance and counseling)	25
	$175

However, I must again emphasize this figure is what we consider a "barebones" minimum. It nowhere meets the real need for instructional materials and equipment—a need that continues to rise—and which is also a victim of current economic and energy conditions. Obviously, the rising cost of equipment and materials due to inflation, and the need to replace items that have worn out, make it even more difficult for a local school to meet its needs.

The current energy crisis and the resultant shortage of raw materials has also had a dramatic effect on technology's products. Prices of some materials such as polyvinylchloride (PVC), a derivative of raw oil refining process used in the manufacture of educational phonograph records has increased 100 percent in the last year.

The dollars spent for educational materials do not go as far as they have previously. Much more money is needed just to keep programs at present levels.

An even maintaining present levels is not adequate. During House discussions of H.R. 69 it was reported that 85 percent of school districts surveyed failed to meet the standards of per pupil expenditures for instructional materials recommended by the National Education Association and the Association for American Publishers. Emphasizing this is the response to a survey performed by the North Carolina Department of Public Instruction. They surveyed State officials responsible for NDEA III-A and ESEA II in the 50 States, 5 territories, the District of Columbia, and the Bureau of Indian Affairs, to determine the Nation's needs for future funding under the program.

I have included as an appendix a more detailed State-by-State breakdown of the results of that study, but let me summary it briefly:

[In millions of dollars]

	1974 allotment	1977 need
NDEA III	24.7	136.0
ESEA II	85.3	196.7

As you can see, the estimated need for each of the separate programs in one case almost meets and in the other exceeds the sum we are requesting this year for the total consolidated package. Also included in the appendix with the State totals are comments of some of the State officials concerning the need in their State for funding. The vast majority of those officials felt the need for the kinds of program purposes funded by ESEA II and NDEA III had not been met; all felt that the programs served a valid purpose and should be continued.

HEA VI-A.—Let me now turn to the HEA VI-A program which provides to higher education many of the same educational benefits the elementary and secondary schools have previously derived from NDEA III.

HEA VI-A was developed so that junior colleges, colleges, and universities could likewise augment traditional methods of instruction and thus continue to reinforce the learning styles to which their students had been exposed in elementary and secondary school. The title VI-A program has particularly assisted the smaller, liberal arts colleges who cannot afford to update laboratories or acquire more effective instructional materials without outside, federal support. In fiscal year 1974, 1,037 colleges and universities participated.

Funding for HEA VI-A has been significantly reduced in past years despite the continued demand by colleges and universities for assistance. The requests for funds always far exceeds the dollars available, as is evidenced by these figures.

HEA VI-A FUNDING

[In millions of dollars]

Year	Total appropriation	Total grant requests not funded
1967	$14.5	$8.6
1968	14.5	13.0
1969	14.5	12.4
1970	0	----------
1971	7.0	10.9
1972	12.5	27.2

Even the private sector outside educational institutions realizes the value of the HEA VI program. One nationally known philanthropic organization is exploring the possibility of providing the matching funds required locally to receive federal funding.

The 1972 Carnegie Commission report on educational technology entitled "The Fourth Revolution" stated that higher education was lagging far behind in use of new technology. The report recommended a Federal expenditure for 1973 of $100 million, and stated that colleges could sharply reduce costs and increase efficiency, while boosting individual attention by use of instructional equipment.

HEA VI-A is a relatively small fund, which schools can use to meet their own specific needs. It is simple to administer, requires almost no redtape, and has helped stimulate some of the most innovative developments in higher education during the last few years. It is helping some of the have-not schools become leaders in the field of instructional technology.

Besides increasing need for instructional equipment and educational technology institutions of higher education are facing many of the same problems faced by elementary and secondary schools. Inflation and shortage of materials are causing costs to increase drastically. Education is shifting from a teacher-centered curriculum to a learner-centered education which demands a tremendous amount of new learning resources. Equipment and materials that students operate are required.

Many examples of educational technology uses in higher education can be cited. The May 1973 issue of Saturday Review characterized Golden West Community College in California as "Electronic University." The article describes the college's system of higher education where students learn by doing and learn by making use of cassettes, computers, films, and other audiovisual materials. In addition to being able to boast of satisfied students and instructors, the university is also looked upon favorably by taxpayers. The instructional cost per pupil is $756.84 compared with a statewide average of $900 to $1,000.

In support of funding for HEA VI–A.—The need for HEA VI–A is tremendous. Because grants are made on the basis of need, the funds are going to these institutions where they will have the biggest impact on the status quo. HEA VI–A is assisting higher education institutions to modernize instruction. The lecture method is appropriate for only some types of information dissemination and it is generally agreed that it must be supplemented by other instructional methods. That the schools themselves recognize the need for change and the assistance that HEA VI–A can provide in this regard is clear. The demand for funds has exceeded the supply. In fiscal year 1971 requests for funds were so numerous that only 39 percent could be funded. In fiscal year 1972, requests totaled more than twice the $12.5 million appropriation. Postsecondary institutions caught in the complexities of spiraling costs and increasing enrollments perceive HEA VI–A appropriations as helpful, but as too small to generally upgrade instruction on that level.

HEA VI–A is often used for job-oriented, vocational instruction. A review of the types of institutions that received HEA VI–A funds during fiscal years 1971 and 1972 reveals that about half the funds went to schools not offering a bachelor's degree—nursing schools, junior colleges, vocational schools. The use of HEA VI–A funds has clearly been consistent with the national thrust toward career education.

HEA VI–A has improved teacher training. Teacher candidates who experience the use of media as part of their education, are more likely to use such techniques in their own classrooms. Many studies suggest that teachers teach as they were taught. It is the small liberal arts colleges most in need of additional instructional equipment and materials that train most of the Nation's teachers. HEA VI–A has helped to minimize the disparity between their experience as students and what will be expected of them as elementary and secondary teachers.

HEA VI–A preserves local choice and requires a local commitment of funds. Like NDEA III, this title is a 50–50 matching program which insures that funds will be carefully administered. Within the limits set by Congress, funds may be used to fit the unique needs of the recipient institutions. State commissions help to determine priority needs and establish State plans.

Summary.—Today, I have presented evidence regarding the history and impact of educational technology and media on education. Technology and media have become an integral and necessary part of that educational process. Funds are needed to support those programs so they are not lost in this time of economic crisis.

Specifically, I have recommended that at least $175 million be approved for the libraries and learning resources program—title IV of Public Law 93–380. This program will provide the technology and media support at the elementary and secondary educational level.

I have recommended a funding level of $25 million for HEA VI–A, equipment and major remodeling for the higher educational level.

I appreciate this opportunity to share with you and the subcommittee a conceptualization of some of the educational needs of our country. Although I am representing an association of media specialists, we are first and foremost an association of professional educators. If we are biased in our description of the need for contained Federal support for educational technology, that bias is rooted in a larger concern—the concern that each learner have access to high quality educational experiences that enhance his or her personal growth and will help him or her become a productive human being.

APPENDIX A

EXAMPLES OF PROJECTS FUNDED BY NDEA III - Equipment and Minor Remodeling

INDIANA The involvement of the family has proved an incentive to the reading of nearly 100 junior high school students in Mt. Vernon, Indiana. Minilibraries of books, periodicals, recordings, tapes, and filmstrips have been organized for long-term loan to the families of students. The collections were chosen with the interests of the entire family in mind and were put in homes where reading was not considered of great importance. Basic to this project was the idea that young people might show more interest in reading if their parents proved themselves partners in the act of reading itself.

WISCONSIN In Whitefish Bay, Wisconsin, a soundsystem delivers programs to several resource centers in the high school. Students have access to 13 channels and can dial lessons in science, social studies, math, English, fine arts, and foreign languages. All audio-tutorial exercises are made by local teachers and some thought is being given to expand the system to provide materials for at-home use.

MISSISSIPPI Four educational television stations have been activated providing broadcast coverage for about 90% of the state. The most common use of NDEA III funds has been in the area of industrial education, where more than 75% of the schools receiving the funds used them to start or expand their programs in this area. Some of the positive, observable results are that students have a broader understanding of the industrial world, motivation was carried over into other areas of study, greater interest and pride in schools was evident, students gained confidence in the use of common tools, and students were able to follow individual programs of work.

NORTH CAROLINA Caswell Center is one of the nine Special Agencies in North Carolina that received NDEA funds. This project provides mentally retarded youngsters, in an institutional setting, an opportunity to participate in activities that had previously been denied them. The music and arts program has been expanded to include students who had little opportunity to develop the basic fundamental skills of the arts. The art and music instructors at Caswell Center were asked if NDEA equipment and materials had been useful. Their reply was: "It (NDEA) has doubled our effectiveness and has had an immensely valuable effect of not only increasing the scope and size of these activities but also greatly improving the quality of the total education experience at Caswell Center."

NEW HAMPSHIRE The Goffstown High School in Goffstown, New Hampshire offers a six year sequence in French. The program allows many students to work in nearby French speaking communities and efforts are made to tie the foreign language program to other subject areas. A modern electronic language laboratory has been installed in the school to help provide students the training and practice they need to move into the community.

APPENDIX B

EXAMPLES OF PROJECTS FUNDED BY ESEA II - School Library Resources, Textbooks, and Other Instructional Materials.

PENNSYLVANIA In 1972, Hurricane Agnes completely destroyed many public and private schools in northeastern Pennsylvania. During fiscal year 1973, ESEA Title II staff cooperated to provide consultant service in partnership with other State units funded through ESEA III and V to aid in restoring school and media programs. In some instances, consultants helped to arrange cooperative media programs with other agencies until school services could be restored. ESEA Title II staff has participated in interlibrary cooperative workshops to assist in planning for ways for schools to share in existing and new interlibrary cooperative programs.

TEXAS The relationship of the Title II program to the Right to Read effort was interpreted to the educational community and the general public through a 30 minute television program as one aspect of the awareness and dissemination facet of the Right to Read effort. A slide presentation and script were developed to describe the role of the library in support of and in conjunction with each of the Right to Read goals. Examples of local education agency programs were used to illustrate library activities in achieving the various goals.

MASSACHUSETTS In Massachusetts services under ESEA Title II to public and private schools are substantially the same. Private school representatives are eligible to apply for materials on loan under both the regular and special-purpose phases of the program. Workshops conducted in proposal writing in fiscal year 1973 were open to private and public school educators. Slightly under 500 private schools enrolled children participating in the regular grant program for $319,833 in materials on loan, and 25 received additional awards under the special-purpose phase amounting to $40,600 in materials on loan. Finally, both public and private schools may utilize the consultative services of the ESEA Title II staff and may borrow from the central collection of some 20,000 juvenile and professional titles.

NEW JERSEY Woodbury Junior-Senior High School short term exploratory courses in science and an advanced 6-year program in mathematics are supported with media acquired under title II.

In Pennsville, N.J. the media specialist reported that the "...title II grant provided the impetus for change. New services developed as a result of the grant included a Festival of Nations in cooperation with social studies, home economics, and art classes. Realia kits are available for use of students in special education. All types of media are used for assignments in such scattered subjects as driver education, typing, mathematics, and industrial arts."

WYOMING In Wyoming there are several exemplary projects whereby Title II supported regular curriculum practices by emphasizing individualized learning, the behavioral approach to learning, and performance plus other innovative strategies. Title II materials were used to create individualized learning packets that would: (1) raise the spelling and work recognition level; (2) raise the reading level; (3) eliminate frustrations of traditional programs; and (4) provide visual and auditory understanding of the world of work.

Excerpted from survey performed by the NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION

APPENDIX C

ESTIMATES OF NEED FOR
NDEA III-A
Fiscal Years 1975 - 1977
May 1974

State	1974 Allotment	Estimates of Need FY 1975	Estimates of Need FY 1976	Estimates of Need FY 1977
Alabama	$ 601,040	$ 1,250,000	$ 1,500,000	$ 1,500,000
Alaska	46,093	300,000	350,000	400,000
Arizona	263,906	900,000	900,000	900,000
Arkansas	316,892	1,500,000	1,500,000	1,250,000
California	2,022,468	18,500,000	19,000,000	19,500,000
Colorado	308,533	2,000,000	2,000,000	2,000,000
Connecticut	273,152	600,000	600,000	500,000
Delaware	68,425	300,000	350,000	400,000
Florida	801,383	5,000,000	5,000,000	5,000,000
Georgia	719,417	2,750,000	3,000,000	3,500,000
Hawaii	100,573	425,000	450,000	475,000
Idaho	123,586	600,000	600,000	600,000
Illinois	1,170,627	6,000,000	6,250,000	6,500,000
Indiana	698,869	3,000,000	3,000,000	3,000,000
Iowa	383,739	2,500,000	2,500,000	2,500,000
Kansas	284,277	1,500,000	1,000,000	1,000,000
Kentucky	510,055	2,000,000	1,900,000	1,800,000
Louisiana	665,617	4,000,000	4,000,000	3,500,000
Maine	151,626	800,000	660,000	720,000
Maryland	478,438	2,500,000	2,500,000	3,000,000
Massachusetts	571,303	2,000,000	2,000,000	2,000,000
Michigan	1,173,929	8,628,619	9,000,000	10,000,000
Minnesota	555,186	2,500,000	3,000,000	3,000,000
Mississippi	414,274	1,000,000	1,000,000	1,000,000
Missouri	593,798	2,000,000	2,000,000	2,000,000
Montana	115,822	400,000	500,000	500,000
Nebraska	199,992	600,000	700,000	800,000
Nevada	54,435	150,000	150,000	100,000
New Hampshire	99,440	300,000	325,000	350,000
New Jersey	704,875	2,600,000	2,750,000	2,900,000
New Mexico	203,849	650,000	700,000	750,000
New York	1,487,171	10,450,000	11,500,000	12,650,000
North Carolina	786,782	3,500,000	4,000,000	4,500,000
North Dakota	108,710	380,000	320,000	300,000
Ohio[1]	1,379,208			
Oklahoma	352,439	1,000,000	1,000,000	1,000,000
Oregon	266,046	800,000	800,000	800,000
Pennsylvania	1,354,415	6,000,000	6,500,000	7,000,000
Rhode Island	98,994	700,000	700,000	700,000
South Carolina	467,538	1,200,000	1,200,000	1,200,000
South Dakota	113,209	750,000	750,000	500,000
Tennessee	601,447	2,500,000	3,000,000	3,500,000
Texas	1,691,985	10,000,000	10,000,000	10,000,000
Utah	199,440	650,000	700,000	800,000
Vermont	65,432	300,000	300,000	300,000
Virginia	644,974	3,200,000	3,500,000	4,000,000
Washington	407,302	1,400,000	1,800,000	1,400,000
West Virginia	266,922	1,500,000	2,000,000	2,000,000
Wisconsin	632,756	2,200,000	2,420,000	2,662,000
Wyoming	51,026	200,000	200,000	200,000
District of Columbia[1]	53,585			
Bureau of Indian Affairs	27,244	75,000	80,000	90,000
American Samoa	25,000	75,000	75,000	75,000
Guam[1]	25,000			
Puerto Rico	397,756	700,000	750,000	800,000
Virgin Islands[1]	25,000			
Trust Territory	25,000	100,000	100,000	100,000
Total	$24,767,207[2]	$124,693,619	$130,480,000	$136,022,000

Footnotes:

[1] Did not return questionnaire.

[2] Total 1974 allotment for states not responding to this survey was $1,482,793 and is not included in total.

Comments of Administrators on NDEA III-A

The following are the verbatim remarks on the program as reprinted from the questionnaires.

We have a great demand for money to fund NDEA III grants on a matching basis dealing with innovative, exemplary and general type programs in critical subject areas to assist curriculum.

See memo on Right to Read. (listed directly below)

Kenneth C. Grieser, Federal Programs Coordinator, Alaska

Alaska is a Right-to-Read state. More than 75% of the local school districts have made a commitment to the goal of Right-to-Read 1974-75 which means that implementation of individualized instruction, statewide, is nearing a reality. Because of this change of program, it is expected that demands and needs for multi-level, multi-media, multi-sensory materials and hardware will double beginning with FY 1975 and stay at that level for approximately five (5) years.

It is expected that the same change will take place in mathematics programs.

This change, along with population growth due to pipeline construction, will necessitate and justify doubling the allocations for Alaska.

Eula Ruby, Director, Right-to-Read, Alaska

Growth rate in Arizona is tremendous. New schools are having difficulty in equipping schools with essential equipment in sufficient quantities. Growth rate is concentrated so that pressures are on specific districts.

NDEA Title III funds are not sufficient for innovation programs. ESEA Title III projects are limited.

Private schools should be permitted to participate. Administrative funds insufficient.

Dr. Sid Borcher, Deputy Associate Superintendent, Arizona

School officials have not been requesting funds according to their needs because of the lack of funds. Even under these circumstances, the requests for the 1973 funds exceeded the funds available by more than $250,000 ($125,000 matching money). Eighty percent of the districts participated. The percent would have been higher if the approval had come earlier. Some districts had spent the matching money earlier in the year.

Industrial arts and arts and humanities have never been included in our state plan because funds were not available to fund the requests on these already included. No doubt a million dollars a year for the next three years should be spent on this area alone.

Rayburn O. Richardson, Coordinator, NDEA Title III, Arkansas

Advanced funding would help achieve the real intent of the acquisition program--strengthening instruction, enabling realistic survey of needs. Program still needed--at higher funding--for at least 2 years--then, possible phasing out.

Leonard Garber, Administrator, NDEA III-A, Connecticut

Advanced funding would provide the opportunity for more detailed needs assessment and comprehensive planning; therefore, effectiveness of the various programs would be considerably increased.

Randall L. Broyles, Assistant State Superintendent, Delaware

Most districts are just beginning to establish effective programs of individualized instruction. The alternative to an over abundance of teachers and aides is quality audio-visual equipment and materials. Perhaps it is time to consider combining ESEA Title II and NDEA Title III into a single program.

Dr. Joseph C. Taranto, Coordinator, ESEA II and NDEA III, Florida

With our instructional programs in the critical subjects being increasingly individualized and improved, the need for more equipment and materials has become greater than ever before. It would be most advantageous for Hawaii to receive advanced funding so that plans can be made to make this program most effective.

Clarence Masumotoya, Director of Federal Programs, Hawaii

In FY 70, project applications from public school districts in Illinois were approved in the amount of $7,424,702. The Illinois allotment was $1,445,776. Illinois could have used at least $3,712,000. Illinois uses a variable reimbursement rate and in FY 70, this rate varied from a minimum reimbursement of 10% to a maximum reimbursement of 19.5% More than 4/5 of the cost of instructional equipment and materials was borne by the local education agency. The 1970 Fiscal year discouraged many districts from participating in future acquisition programs.

In FY 71, project applications from public school districts in Illinois were approved in the amount of $7,362,798. The Illinois allotment was $1,984,149. Illinois could have used at least $3,682,000. The reimbursement rate varied from 10% to 25%. More than 3/4 of the cost of materials was assumed by the local district. More districts became discouraged.

In FY 72, project applications from public school districts in Illinois were approved in the amount of $6,074,663. The Illinois allotment was $2,033,514. Illinois could have used at least $3,037,000. The reimbursement rate varied from 20% to 33%. Fewer districts are participating in the program.

To counteract a serious non-participation trend in Illinois and to encourage more schools to participate, the Title III, NDEA, Acquisition Program was changed to an allotment per district. This change worked very well with the FY 73 funds since the reimbursement rate was increased to 50%. However, when only $1,170,000 was released to Illinois in FY 74, the allotment for many small districts was so little that it wasn't worthwhile for them to file an application. As a result, fewer districts are participating each year and Illinois is to the point where only one-half of the districts file applications.

Earl D. Patton, Assistant Superintendent, Illinois

There is a continuing need for materials and equipment in all the critical areas. Because these programs are developing and the cost of items are high, the entire State NDEA Title III allocation would not have met half the needs. The need will continue to grow over the next years.

Indiana's need was more than three times the allocation granted.

It is difficult, if not impossible, to identify the impact of NDEA Title III funds being spent on the education of each child, each year. However, the impact of NDEA III can be seen and felt in all the programs. A reflection of this fact is evidenced by student achievement scores that have been improving over the past years. Additionally, at least 60 percent of the schools indicated that the major thrust in subject offerings has been because of NDEA Title III funding on a 50 percent level. Indeed, of all the Federal Programs, NDEA Title III has been the most effective.

Hazel M. Layden, Supervisor, NDEA Title III, Indiana

With a new subsidy law to take effect in FY '76, Maine LEAs will have available more matching funds. While some districts have an adequate supply of "hardware" for whole-class work, few systems have enough for individualized instruction and small-group work. All suffer from an inadequate supply of "software" such as film loops, filmstrips, audio- and video-tapes, science equipment and materials for individualized instructional programs, concrete devices to represent abstract mathematical concepts, materials for slow learners and LD pupils who are to be "mainstreamed" into regular classrooms. Maine has many small geographically isolated schools where pupils frequently lack contact with the "outside world." These pupils need films, filmstrips, study prints to give them some vicarious experience with which students in less remote areas have daily contact.

In brief, too many subjects are taught through a textbook approach, which cannot meet the needs of poor readers or non-readers. In many high schools only college-bound students have laboratory science experiences while the poorer reader has access only to a textbook from which he can derive little benefit--or knowledge.

Most Maine junior high schools/middle schools have no industrial art courses those which do have IA suffer from a lack of equipment.

Edward F. Booth, Coordinator, NDEA III-A, Maine

Without advanced funding it is impossible to plan for an effective program.

David R. Bender, Assistant Director, Maryland

We are currently entering a phase of providing programs to help children with a variety of learning disabilities and NDEA III funds could be of vital assistance in assisting local schools. This would be in addition to the more "normal" programs which still need considerable help to increase the quality of education.

Raymond L. Gehling, Jr., Acting Project Director, NDEA III, Massachusetts

In 1971-72, according to our State Plan, only 25% of our 600 school districts participated in NDEA III-A. Those schools overencumbered their allocations by $1,038,945. This amount in consideration of their being allocated a "specific" amount.

Michigan has recently developed the Regional Educational Media Center concept. Twenty-two have been designated. In a recent report to the Department by all 22, an amount of $5,511,764 was requested by them to enable them to offer requested services.

Charles Ruffing, Coordinator, NDEA III-A, Michigan

The need for NDEA Title III is becoming greater in Minnesota because the legislature has imposed tax limitations. This limitation will inhibit schools from spending more money on equipment. They will have matching funds available.

George F. Hoppe, Director, NDEA III, Minnesota

With funding of NDEA III-A (FY 73 and 74) being received in February 1974, the State's allotment has been committed to support projects from LEAs as of May 17, 1974. Numerous inquiries concernidg availability of additional NDEA III-A funds have been received since the deadline (May 1, 1974) for submitting projects. Indications are that LEAs could and would use additional monies to support acquisition of materials and equipment to improve the instructional program in the eligible curriculum areas.

A survey of recently submitted projects ('74) indicates that a majority of LEAs are in need of basic materials and equipment to carry out their instructional programs. This observation, coupled with the fact that some LEAs participated in NDEA III-A this year as a first, since the early sixties, leads us to conclude that NDEA III-A funds are needed within Mississippi to support the continued improvement of the instructional program.

The expansion of educational television capabilities within the State and changing curricula has brought a need for new types of materials and equipment.

The advanced funding of NDEA III-A, perhaps six months in advance, would enable LEAs to better plan their budgets for acquisition of materials and equipment.

C. H. Johnston, Superintendent, Mississippi

On projects to be approved with FY 73 and FY 74 funds, school districts have been encouraged to expend their funds for instructional television equipment when adequately planned to strengthen the educational programs in the ten critical areas of NDEA III. With 95% of all projects approved we have found an excellent response to this priority. This represents only one of many existing needs.

Elmer F. Klein, Director, School Learning Resources, Missouri

Requests received within recent weeks are evidence that the local education agencies are continuing to rely upon NDEA III-A for assistance, especially in planning for installations within new buildings, where bond issues drafted some months ago are no longer able to meet spiraling inflation.

(Mrs.) A. Esther Bronson, Administrator, NDEA III-A, Nebraska

This has been an extremely helpful program, but we need to do more work with the users of the equipment. Saturating them with hardware doesn't, of itself, assure better learning experiences for children.

James P. Costa, Director, Federal Programs, Nevada

Funding by July 1 would be a big improvement but at least six months lead time is needed for effective planning and budgeting.

George K. McBane, Director, NDEA III, New Mexico

Applications from local education agencies request funds far in excess of the NDEA III funding available.

Increased individualization of educational programs to respond to learner needs requires more instructional materials and equipment in lieu of the standard textbook.

Funds available under ESEA I, III and ESA are needed for other than instructional materials and equipment costs.

Centralization of materials and equipment acquisition minimizes duplication of expenditures for similar items for different projects.

P. Alistair MacKinnon, Assistant to the Commissioner, New York

I feel that it would be a very safe assumption to say that a majority of local school administrators in North Carolina would like to see the NDEA Title III-A program not only remain in existence but have increased funding.

Even though authorization for continuation of this program is provided under P.L. 92-318 until June 30, 1975, appropriation legislation is necessary to enable this program to be operational during FY 1975. The fact that the NDEA program has not been included in any administration budget causes us concern about its future.

According to a questionnaire given in 1972, this program ranked as the most popular federal education program.

Darrell Arnold, NDEA Coordinator, North Carolina

In visiting with school administrators in Oklahoma I find that they feel the NDEA program is the best program that they receive federal funding from.

M. M. Vickers, Administrator, Oklahoma

It must be pointed out that the use of ESEA Title I and III funds for equipment restrict the use of the equipment to the specific program. NDEA funds are meant to improve general school programs for the entire student body. Building programs anticipated in the next three years will have a tremendous effect on equipment needs.

Gerry W. Leonard, Coordinator, Federal Grants, Rhode Island

NDEA III has been one of the best programs ever brought forth by the Federal Government. The 50% matching request has been especially good for it has assumed that the local districts did indeed want the materials enough to use a good share of their own funds to acquire them, instead of just spending "free" federal money.

In this day of increasing demands of teachers for a larger share of local money for salary purposes, this program will be of increasing value to assure that those same teachers will have equipment with which to instruct our children.

Norris M. Paulson, Assistant Superintendent, Finance Management,
South Dakota

Aids all students. Covers 95% of Programs. It generates additional local funds to aid program.

Dr. J. Maurice Roberts, Director of Interagency Relations, Tennessee

Financing public school education is getting more difficult each year. The schools in our state need all the help they can get.

R. E. Slayton, Director, Program Funds Management, Texas

Our schools are still desperately in need of resources for teaching. We have made significant gains over the past decade due to federal assistance. Without it we would have almost bare classrooms. However, that need is continuing and has nor will ever be completely met at any one point in time. Materials and equipment do wear out and need replacement. We need a continuing funding program.

Dr. LeRoy R. Lindeman, Administrator, Instructional Media Division, Utah

The cruel effects of inflation over the past four years have had the effect of lessening the impact that NDEA had made by 1968-69. We need NDEA to bring in the new technology.

Donn McCafferty, Chief, Secondary Education, Vermont

The NDEA Title III program is one of the few federal programs that permit direct participation by the recipient LEAs. With a share of this investment for equipment being borne by the local level, greater accountability is exercised to obtain the most benefit from each dollar invested. The program is flexible in that it permits the State to recognize differences between LEAs and determine the share of cost to be borne by each.

Robert V. Turner, Special Assistant for Federal Programs, Virginia

We are very much in favor of the concept of HR 69, however, under no circumstances should individual programs consolidated in HR 69 be funded for less than the appropriation level for the current fiscal year.

Cecil J. Hannan, Administrative Assistant, Federal Liaison, Washington

Much of the equipment and materials purchased in the early years of NDEA III is worn out, in need of repair, or obsolete. NDEA III is needed to relieve this situation.

Gene A. Maguran, Sr., Director Federal Programs, West Virginia

If we could know our state allotment 3 months in advance of July 1 each year, this would provide us with plenty of planning time.

Arnold M. Chandler, Administrator, NDEA III, Wisconsin

As of FY 74 our Department of Education completed four new learning centers; therefore, we plan that we use this money to help equip these centers. Four more will be constructed in FY 75 and two will be completed in FY 77. We will need this money to help buy the equipment for these new learning centers.

Aiva Filiago, NDEA Coordinator, American Samoa

This program has been extremely helpful since it enables educational agencies to acquire equipment to better their programs.

Maria I. de Jesús, Federal Programs Coordinator, Puerto Rico

Please note Bureau of Indian Affairs school operation is dependent on appropriations from the Federal level. We are not required to show local funds as matching. However each year schools will budget funds for soft and hardware as it relates to the subject areas.

NDEA III has gone a long way to upgrade subject needs; it has offered school staff the opportunity to take a critical look at subjects with the idea of strengthening, fully knowing that there are some funds available to do so. I personally feel it is a good program and has gone far in upgrading subject areas.

Gordon W. Gunderson, Chief, Bureau of Special Programs, Bureau of Indian Affairs

EXCERPTED FROM SURVEY PERFORMED BY THE NORTH CAROLINA DEPARTMENT OF PUBLIC INSTRUCTION

APPENDIX D

TABLE 3
ESTIMATES OF NEED FOR ESEA II
Fiscal Years 1975 - 1977
May 1974

State	1974 Allotment	1974 Additional Funds Needed	Estimates of Need 1975	Estimates of Need 1976	Estimates of Need 1977
Alabama	$ 1,417,852	$ 500,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Alaska	146,657	100,000	300,000	350,000	400,000
Arizona	833,587	500,000	1,400,000	1,400,000	1,400,000
Arkansas	804,423	100,000	1,000,000	1,225,000	1,516,000
California	8,536,517	20,000,000	30,000,000	40,000,000	50,000,000
Colorado	1,026,488	350,000	1,200,000	1,212,000	1,224,120
Connecticut	1,335,140	--	1,400,000	1,500,000	1,600,000
Delaware	260,008	40,000[3]	300,000	300,000	300,000
Florida	2,704,985	3,295,015	6,000,000	6,000,000	6,000,000
Georgia	1,911,403	900,000	3,000,000	3,750,000	4,000,000
Hawaii	360,767	100,000[4]	400,000	450,000	500,000
Idaho	327,988	750,000	1,200,000	1,200,000	1,200,000
Illinois	4,876,093	5,200,000	10,000,000	10,000,000	10,000,000
Indiana	2,307,156	--	2,300,000	2,300,000	2,300,000
Iowa	1,255,562	2,744,000[3]	2,600,000	2,750,000	2,900,000
Kansas	930,912	270,000	1,200,000	1,200,000	1,200,000
Kentucky	1,356,508	143,492	1,500,000	2,000,000	2,500,000
Louisiana	1,669,590	500,000	2,000,000	2,500,000	3,000,000
Maine	463,249	--	463,250	577,936	557,021
Maryland	1,787,959	1,000,000	2,000,000	2,500,000	3,000,000
Massachusetts	2,429,112	--	2,500,000[5]	2,500,000[5]	2,500,000[5]
Michigan	4,198,424	500,000	5,000,000	5,500,000	6,000,000
Minnesota	1,777,743	222,000[3]	2,000,000	2,500,000	2,500,000
Mississippi	936,130	1,000,000	2,670,000	3,192,000	3,710,000
Missouri	2,021,406	2,500,000	4,500,000	4,500,000	4,500,000
Montana	326,976	30,000	350,000	360,000	360,000
Nebraska	643,619	200,000	800,000	900,000	1,000,000
Nevada	230,488	20,000[4]	250,000	250,000	250,000
New Hampshire	335,975	30,000	375,000	390,000	400,000
New Jersey	3,085,657	1,000,000	4,000,000	5,000,000	6,000,000
New Mexico	516,306	184,000[3]	750,000	800,000	850,000
New York	7,423,067	2,500,000	10,000,000	11,000,000	12,000,000
North Carolina	2,037,649	1,000,000	3,000,000	3,500,000	4,000,000
North Dakota	270,752	30,000	300,000	330,000	365,000
Ohio[1]	4,775,569				
Oklahoma	1,086,694	500,000	1,500,000	1,500,000	1,500,000
Oregon	872,473	128,000	1,000,000	1,000,000	1,000,000
Pennsylvania	5,000,836	1,000,000[3]	6,000,000	6,000,000	6,500,000
Rhode Island	401,728	600,000	1,000,000	900,000	900,000
South Carolina	1,141,558	400,000	1,500,000	1,500,000	1,500,000
South Dakota	303,545	200,000	500,000	500,000	500,000
Tennessee	1,587,853	500,000	2,000,000	2,500,000	3,000,000
Texas	4,979,429	20,020,000[3]	25,000,000	25,000,000	25,000,000
Utah	528,228	972,000[3]	1,500,000	1,500,000	1,500,000
Vermont	206,217	35,000	215,000	220,000	225,000
Virginia	1,928,041	2,000,000	4,000,000	3,000,000	3,000,000
Washington	1,461,184	400,000	1,650,100	1,700,000	1,750,[illegible]00
West Virginia	710,237	500,000	1,200,000	1,500,000	1,500,[illegible]00
Wisconsin	2,086,738	500,000	2,399,748	2,759,710	3,173,[illegible]56
Wyoming	152,533	150,000	300,000	300,000	300,[illegible]00
District of Columbia	279,769	68,893	383,528	421,880	464,[illegible]68
Bureau of Indian Affairs	125,229	50,000	175,000	180,000	200,000
American Samoa	30,000	--	30,000	30,000	30,000
Guam[1]	74,769				
Puerto Rico	1,828,294	1,043,606	2,900,000	3,700,000	4,600,000
Virgin Islands[1]	66,339				
Trust Territory	86,589	10,000	96,000	98,000	100,000
Total	$85,343,323[2]	$74,786,006	$160,107,626	$178,246,526	$196,774,875

Footnotes:

[1] Did not return questionnaire.

[2] Total 1974 allotment for states not responding to this survey was $4,916,677 and is not included in total.

[3] The actual response seemed to be the total funds needed rather than the additional amount needed, as the question asked. Thus, this number is the difference between the amount reported and the actual 1974 allotment, rounded to the nearest $1,000.

[4] Respondent indicated this figure is a minimum.

[5] Respondent did not give an amount but commented as follows. "At the present no state funds support the development and growth of school media programs in Massachusetts. Local taxpayers' concern over mushrooming school budgets, along with increased funding priority for pupil personnel services, mean little or no support for media programs. ESEA Title II funds 3,000 local school systems, but these federal monies provide only minimal aid for local communities. Massachusetts therefore needs at least as much federal funding as has been awarded for the last two fiscal years. The Elementary and Secondary Education Act Title II is doing an excellent job in supporting school library media programs in the Commonwealth of Massachusetts, and encouraging needed growth. Any reduction of ESEA Title II funds will mean a deterioration of these programs when need for their further development is being dramatically felt." Thus, this figure is an average of the 1973 Massachusetts allocation of $2,600,000 and the 1974 allocation of $2,400,000.

TABLE 4
VIEWS OF STATE ADMINISTRATORS ON ESEA II
May 1974
(See "Summary of Results" for actual questions)

State	1974 Funds Adequate	 Inadequate	Future of Program[2] Phase Out	 Continue	 Continue & Increase
Alabama		X		X	
Alaska		X			X
Arizona		X			X
Arkansas		X			X
California		X			X
Colorado		X		X	
Connecticut	X			X	
Delaware		X			X
Florida		X			X
Georgia		X			X
Hawaii		X			X
Idaho		X			X
Illinois		X			X
Indiana	X			X	
Iowa		X			X
Kansas		X			X
Kentucky		X			X
Louisiana		X			X
Maine	X				X
Maryland		X			X
Massachusetts		X			X
Michigan		X			X
Minnesota		X			X
Mississippi		X			X
Missouri		X			X
Montana		X			X
Nebraska		X			X
Nevada		X		X	
New Hampshire		X		X	
New Jersey		X			X
New Mexico		X			X
New York		X			X
North Carolina		X			X
North Dakota		X			X
Ohio[1]					
Oklahoma		X			X
Oregon		X			X
Pennsylvania		X			X
Rhode Island		X			X
South Carolina		X		X	
South Dakota		X			X
Tennessee		X			X
Texas		X			X
Utah		X			X
Vermont		X			X
Virginia		X			X
Washington		X			X
West Virginia		X			X
Wisconsin		X			X
Wyoming		X			X
District of Columbia		X			X
Bureau of Indian Affairs		X			X
American Samoa	X			X	
Guam[1]					
Puerto Rico		X		X	
Virgin Islands[1]					
Trust Territory		X		X	
Total	4	50	-	10	44

Footnotes:

[1] Did not return questionnaire.

[2] Responses indicating both "Continue" and "Continue and Increase" were counted as "Continue and Increase" only.

Comments of Administrators on ESEA II

The following are the verbatim remarks on the program as reprinted from the questionnaires.

We support the activities of ESEA, Title II and urge their continuation. However, we feel it is imperative that certain programs be consolidated in such a way as to eliminate duplication of effort and paper work.

W. E. Millown, Coordinator of Federal Programs, Alabama

We have a great demand for money to fund special purpose grants dealing with innovative, exemplary, and general types of library programs to assist curriculum. The requests this year were for $80,000 and we funded only $40,000.

See memo on Right-to-Read. (listed directly below)

Kenneth C. Grieser, Federal Programs Coordinator, Alaska

Alaska is a Right-to-Read state. More than 75% of the local school districts have made a commitment to the goal of Right-to-Read 1974-75 which means that implementation of individualized instruction, statewide, is nearing a reality. Because of this change of program, it is expected that demands and needs for multi-level, multi-media, multi-sensory materials and hardware will double beginning with FY 1975 and stay at that level for approximately five (5) years.

It is expected that the same change will take place in mathematics programs.

This change, along with population growth due to pipeline construction, will necessitate and justify doubling the allocations for Alaska.

Eula Ruby, Director, Right-to-Read, Alaska

Administrative funds should be increased. Funding should be increased to include the purchase of equipment. Uncertainties and late funding has not permitted wise planning. Materials have increased greatly in cost.

Dr. Sid Borcher, Deputy Associate Superintendent, Arizona

The libraries in our state have been greatly enhanced by the resources provided under Title II ESEA during the past few years. Without these funds, many children would be deprived of any fairly acceptable library resources. We feel that Title II should be a priority program for funding in federal education appropriations.

Mrs. Corliss M. Howard, Coordinator, ESEA II, Arkansas

At least an increase of 40 percent in State allocation is necessary just to keep even with inflation. It is estimated that over $120,000,000 would be required to bring California school library media centers up to minimum standards in all media. This is over and beyond State and local effort of about $25,000,000 a year for materials.

Claude W. Hass, Program Administrator, ESEA II, California

Since 1967 there has been a small increase in the average number of books per pupil. However, the average number of audiovisual items has increased significantly as indicated by the fact that the Fall Report for 1967 did not even ask for a reporting of such materials. Much of the trend away from book-oriented libraries toward instructional materials centers can be attributed to ESEA II funding. In addition, districts have been able to expand district-level materials collections, especially in the fields of 16mm films and expensive multi-media kits. Funds from ESEA II have allowed districts to implement innovative and creative media programs or to attain depth in specialized subject areas. Again, the report from Colorado Springs gives a fairly typical view of how ESEA II has improved school media centers in the state.

Anne Marie Falsone, School Library Consultant, Colorado

Title II has been a main impetus in centralizing school library media centers. There are still schools without a library, but these are now in the minority. The greatest need is in poorer towns, in elementary schools where local budgets are meager.

Theresa McKeon, Title II Coordinator, Connecticut

ESEA Title II has allowed us to start basic libraries in all schools. Unfortunately, they are totally inadequate to serve the student population. Because of the small amount allocated to Delaware, we are barely able to keep pace with student needs, curriculum changes, or increases in the cost of library resources.

Richard L. Kreuger, Supervisor, ESEA II and Library/Media Services, Delaware

The estimates given are conservative. One must realize that even established libraries need funds for updating collections, providing replacement items for worn items, etc.

The consolidation of compatible categorical programs is in order. NDEA, Title III and ESEA, Title II are examples of compatible categorical programs which could logically be combined without destroying their effectiveness.

Dr. Joseph C. Taranto, Coordinator, ESEA II and NDEA III, Florida

Increased allowances for Administration should be built into the ACT. Salaries in Hawaii (for all workers, clerical and professional) have increased with the advent of unionism for State employees. Rental costs have soared for office space, utilities, office equipment and supplies, telephone and cable communications, etc. It is difficult to keep Administration costs within the $50,000 limitations; consequently additional costs have been shuffled to Acquisition (ordering, processing, etc.) thus cutting into the actual acquisition of materials that are much needed for the benefit of children and teachers in providing better educational opportunities.

Arline Schiller, Program Specialist, ESEA II, Hawaii

Uncertainty of the availability of Title II, ESEA funds makes planning at both state and local levels difficult. Correspondence from local school districts indicated that a high value is placed upon the Title II, ESEA program as a means for increasing both quantity and quality of library/media materials in the state.

Earl D. Patton, Assistant Superintendent, Illinois

The ESEA Title II program in Iowa has provided the funds to the sixteen regional educational media centers for the purchase of school library resource materials. All ESEA Title II money in Iowa is allocated to the centers. Without ESEA Title II funds in Iowa we would be hurt drastically in furthering the concept of and services provided by our regional educational media centers. New state legislation mandates area media services and provides little or no funds for the purchase of materials. We are therefore relying on continued federal funds i.e. ESEA Title II.

Paul L. Spurlock, Chief, Educational Media Section, Iowa

Forward funding is necessary for effective planning for full utilization of materials.

Charles E. Nicholson, Director, Curriculum and ESEA II, Kansas

The program needs to continue as it is. All children and teachers in the State of Kentucky profit from the program.

Richard I. Betz, Unit Director, Kentucky

ESEA Title II provides a variety of instructional materials for use in instructional programs where sources of study materials are limited. It also stimulates State, local and private school efforts to increase the level of funds made available for instructional materials. It encourages the operation of a school system media center in each system. It provides the system center collections of materials too professional or specialized to be feasibly maintained in individual schools. It provides the school media center adequate collections of print and non-print materials to meet the needs of students and teachers in the teaching-learning process.

The accomplishment under Title II programs has been outstanding. Since it went into operation, thousands of local schools have improved library resources and other instructional materials.

This program has brought the libraries up to date and is keeping them current.

Jesse G. Milner, Director ESEA II, Louisiana

We have begun to develop regional resource centers with ESEA Title II. Without the continuation of funding, progress in this area will be greatly impeded.

John Boynton, Coordinator, Media Services, Maine

Advanced funding is also needed for this program.

David R. Bender, Assistant Director, Maryland

Materials continue to increase in price. New students with new needs come along; materials wear out or turn up missing and must be replaced; there is a continuing need for more and better materials. Congress should increase the funding each year, at least enough to keep pace with these continuing needs.

Mary Ann Hanna, Coordinator, ESEA II, Michigan

This supplement, if lost, will not be supplied by local funds because of tax limitations on our LEAs. Our local maintenance of effort has steadily increased due to the impact of Title II. This impact would be lost. Private schools would be without any assistance if Title II is discontinued.

George F. Hoppe, Director, ESÈA II, Minnesota

Some identified merits of the Title II program in Mississippi are as follows:

Teachers have become accustomed to having alternatives when planning instructional activities. These alternatives are made possible through the reservoirs of relevant *instructional materials--the school media centers.*

Sixty percent (60%) of all school districts report that one of their most critical needs is providing materials for the underachiever. A majority of these school administrators agree that the added materials for the underachiever provided through ESEA II have contributed to an increase in the achievement level of students.

Materials have been purchased that support special programs such as special education, environmental education, career education, drug education, and sex education.

G. H. Johnston, Superintendent of Education, Mississippi

Since the beginning of the Title II, ESEA program in 1965-66 the number of central libraries in the public elementary and secondary schools has increased by 116%. Certificated librarians employed in these schools have increased by 94%. A combination of local, state, and federal funds has been sufficient to bring less than one-half of the central library collections up to the state standards required for classification and accreditation of the districts.

More than 95% of the pupils enrolled in the public and private, elementary and secondary schools have participated annually in the Title II ESEA program. This attests to the popularity of the program and the effectiveness of its administration.

Elmer F. Klein, Director, School Learning Resources, Missouri

In a rural state such as Montana, there are many schools who would not even have a library resource available, if it were not for ESEA Title II funds. The need certainly exists and as educational costs increase, the need for federal assistance for library resources increases.

Dr. Robert A. Lehman, Director, Finance and General Support
for Schools, Montana

Title II is the backbone of the concept of a media program. We need it to continue as a source for materials as LEAs accept the media program concept and cover full staffing to try to meet educational needs.

(Mrs.) A. Esther Bronson, Administrator, ESEA II, Nebraska

This is an excellent program which can be coordinated effectively with NDEA Title III-A.

James P. Costa, Director, Federal Programs, Nevada

The Title II ESEA program has served as seed money to stimulate LEAs to develop library/media programs. In a few districts with low tax bases it actually provides services not otherwise available. By helping nonpublic school children (from 1/5 to 1/6 of New Jersey children not in public schools) it has helped to insure local support of the public schools. Some counties in New Jersey have from 1/3 to 1/2 of the children in nonpublic schools. Schools in this state are largely supported by local property taxes.

Anne Voss, Coordinator, ESEA II, New Jersey

The figures (listed elsewhere in the questionnaire) are conservative estimates which would allow for the same slow rate of growth we are now experiencing. To fully meet the estimate of Title II to provide an effective library/media program for all children would require an additional 50%.

George K. McBane, Director, ESEA II, New Mexico

The State's and Nation's Right-to-Read effort cannot succeed without the support of strong school library media programs which lead students to want to read.

Minimal collections have not yet been achieved in many schools, in both the book and audio-visual areas.

On the positive side, fewer than one percent of the schools do not have school libraries today.

Inflation has seriously decreased the amount of materials we anticipated would be acquired after eight years of the program.

Centralization of materials and equipment acquisition minimizes duplication of expenditures for similar items for different projects.

Funds available under ESEA I,III, ESA etc. are needed for educational expenditures other than school library resources.

P. Alistair MacKinnon, Assistant to the Commissioner, New York

The need for additional materials as well as increased inflation has caused the buying power to decrease. Additional materials are needed to carry out a good instructional program.

Carroll R. Calhoun, Chief Consultant, ESEA II, North Carolina

The reception of Title II ESEA in the State of North Dakota by local education agencies has been excellent. It is a very popular program because the red tape involved is at a minimum. School districts need and appreciate the allocations given to them each year for their library centers. Local school districts hope that the program will continue at least at the present level of funding but hope for an increase due to the rising costs of materials.

Elmer Huber, Coordinator, ESEA II, North Dakota

We feel that this program is essential to any instructional program by providing additional resource materials.

M. M. Vickers, Administrator, Oklahoma

The inflated cost of materials has decreased the purchasing power of allocated funds. The needs continue as curricular trends change. This program represents a partnership among federal, state and local agencies with materials coming from one source, staff and facilities from others. It has served very well and must be continued.

(Mrs.) Elizabeth P. Hoffman, Chief, Division of School Library
Services and Coordinator of ESEA II, Pennsylvania

The use of media has become more essential in total instructional programs in all schools. At present, no school district in the state has an adequate supply of media materials to meet the ever increasing demands.

Donald C. Pearce, Coordinator of Federal Funding, South Carolina

The library has become a very important factor in the learning environment we are trying to provide for our children. A library learning center can be the core about which the teacher can break out of her classroom and the limitation of her class textbook and take advantage of other available aids.

The number of things that could be used in this fashion is almost endless. High schools are becoming moderately well supplied with library media materials but the elementary schools and middle schools are still very lacking. Considering that Title II, ESEA does not require local matching, almost any money available could be advantageously used.

Norris M. Paulson, Assistant Superintendent, Finance Management, South Dakota

The Agency is in the third year of a state wide instructional resources program study. Early estimates indicate an annual expenditure of $30,000,000. The five components being considered in the program are: professional development, adoption of instructional materials, instructional resources information, learning resource centers, and instructional resources technological and dissemination.

R. E. Slayton, Director, Program Funds Management, Texas

We are emphasizing the individualization of instruction. We cannot do so without resources. We are extremely limited and need more funding for this purpose.

Dr. LeRoy R. Lindeman, Administrator, Curriculum Division, Utah

ESEA Title II has not only assisted elementary school libraries already functioning, but has sparked interest in small communities to start libraries where there had been none. The greatest need is still in elementary schools throughout the State, and secondary schools are now requesting that some Title II funds be directed their way. Additional funds would allow us to reinstate the Special Purpose Grant program for secondary schools.

ESEA Title II is also the only source of funds for the State Department of Educations's administration of the School Library/Media services. If Title II goes out, the position of School Library/Media Consultant would be in jeopardy.

Eleonora P. Harman, School Library/Media Consultant, Vermont

Most of the school libraries, even the ones in the smaller elementary schools, are on the verge of implementing a unified media approach to teaching and learning and are striving to become true media centers. Much effort in the past has been devoted to attaining State standards for print materials. Title II assistance has been instrumental in meeting these basic goals and helping with beginning audio-visual collections. Other funds can be used to maintain the status quo, but Title II funds can provide the extra push for real on-going growth and expansion.

An effort has been made to meet certain identified special needs through the use of Title II funds for Special Projects. The applications for these projects always exceed available funds. Additional Title II funds could be used expeditiously to fund a greater number of these projects and to provide funding more nearly at the level requested since partial funding prevents full implementation as envisioned by the project designers.

Robert V. Turner, Special Assistant for Federal Programs, Virginia

Under the Title II program existing school libraries in Washington State have been greatly expanded; learning resources, both print and non-print, are more readily available and accessible to children and teachers in both public and private schools. Through the Special Needs grants, instructional programs in many of the school districts have been affected significantly.

Cecil J. Hannan, Administrative Assistant, Federal Liaison, Washington

The amount of red tape involved in arriving at "relative need" at the local level is tremendous.

Gene A. Maguran, Sr., Director, Federal Programs, West Virginia

The ESEA Title II program has provided materials to support instructional approaches that coincide with the present day learning habits of students. It has motivated schools to use their own funds to purchase library materials, especially audio-visual materials. This allows the educational practices used in schools to compare with the other learning sources.

Many of our schools have indicated that without ESEA Title II funds a large number of resources needed for students and teachers at schools would go unmet. The funding level for resources is low and the rising cost of materials also limits quantity and quality of materials that can be purchased.

Gwendolyn G. Lightfoot, Coordinator, ESEA II, District of Columbia

ESEA grant makes it possible to aid the parochial schools of American Samoa and without it we could not give aid to these schools.

Mildred S. Councill, Supervisor of Libraries, American Samoa

These funds are extremely needed. The School Library Program in Puerto Rico is making every effort to offer services that could gradually meet the needs of our students. Our School System has a population of 713,166 students with an average of 1 library per 1,684 pupils. The availability of funds for the improvement and expansion of the service is vital for a better education and learning achievement of our children.

Maria I. de Jesús, Federal Programs Coordinator, Puerto Rico

It is the only program by which librarians receive funds on a regular annual basis; planning and meaningful development of library resources would be far more effective if funding could be a certainty over a period of several years. In other words, it is not so much a matter of the amount of funding as it is a need to be provided a certainty that funds will be provided over a sustained period of time.

Daniel J. Peacock, Supervisor, Library Services, Mariana Islands

Through ESEA Title II many of the small isolated schools common to the Bureau of Indian Affairs school operation have received a minimal collection of both print and non-print materials. We have also seen greater emphasis on providing library and media services to these outlying areas. The use of Title II and regular program funds has offered an opportunity to concentrate services in the schools of greatest need.

Gordon W. Gunderson, Chief, Bureau of Special Programs,
Bureau of Indian Affairs

STATEMENT OF FRED G. BURKE

I am Fred G. Burke, Commissioner of Education, State of New Jersey. I appreciate this opportunity to testify on behalf of the Appropriations Committee and to speak to the importance of international education.

I think it is important to bring to your attention the fact that from 1960 until 1967 I was Director of the Program of East African Studies at Syracuse University's Maxwell School of Citizenship and Public Affairs and that from 1967 to 1970 I was Dean of International Studies at the State University of New York at Buffalo. Prior to assuming my current responsibilities in New Jersey, I was Commissioner of Education in Rhode Island with responsibilities encompassing higher education as well. This unusual combination of experience has provided me a unique opportunity to assess the importance of international education at a variety of levels and from a variety of vantage points.

I have, for example, been able to ascertain that there exists a close relationships between domestic ethnic and race relations and the attitudes that our young people form toward people from other countries. The inter-relationship of international to domestic problems is keenly felt in New Jersey, a state which last year alone absorbed 26,000 immigrants. The great bulks of these Americans are Spanish speaking and in response to their special needs our state requires bilingual and bi-cultural education in every school district that has 20 or more pupils of limited English speaking ability. Whether our newest citizens will receive, as the New Jersey Constitution requires, a "thorough and efficient" education and whether or not they will live in peace and harmoney with their fellow citizens will depend upon the inter-cultural and inter-ethnic attitudes which will be shaped and formed over the next decade. I can attest to the increasing and urgent need for more Federal assistance in the areas of language studies and programs to enable the citizens of our state to respond to the rapidly changing composition of our population.

As our planet continues to shrink, it is imperative that we seek to build adequate human and institutional foundations for cooperation. We are particularly sensitive to this need in New Jersey. For many of our citizens the problems of Cuba, Africa and Puerto Rico are frequently closer and more relevant than those of California, Texas or Illinois.

But the problems of world interdependency are apparent to all of our citizens and have been brought home sharply by severe imbalances in energy, food, population and environmental pollution. Increasingly, national concerns in scope have become trans-national, and the institutions and relationships required to cope with these trans-national problems will, of necessity, have to evolve if, indeed, world civilization is to persist. New assumptions, non-western assumptions, about man and his society are being articulated by newly independent nations. This new international dialogue requires a new, more informed understanding of the language and customs of other nations than we now have.

And as America turns to substituting cultural and moral leadership for economic might and military muscle, it becomes not only desirable but essential that we respond to and act on the dramatic changes that are occurring within our universe.

Unless we devote increasing resources to language and area studies to broaden our understanding of our fellow man -- to cope with the effects of social, cultural, political and economic change -- we cannot hope to maintain a primary position in world society.

In retrospect, it is now possible for us to realize how unprepared we were at the beginning of World War II to deal with a host of unfamiliar societies and cultures. As always, Americans responded to an emergency situation and, through crash programs, we quickly improved our knowledge and our capacity to deal with other nations, but certainly not to the extent that would have been possible had we incorporated such activities into our educational programs over the years.

It is disturbing to me, as one who has witnessed the consequences of cultural unpreparedness and has participated in the crash programs, and as one who is keenly conscious of the relationship of international and inter-cultural understanding to inter-ethnic and inter-racial cooperation, that since 1964 we have decreased rather than increased the resources applied to this important purpose. The cutbacks in Title VI as well as in most public and private international educational programs has once again, I fear, left us dangerously exposed and once again vulnerable. We have, by 1975, dissipated, in my estimation, far too much of our language and area expertise. We should be rebuilding our professional skills, our knowledge and our resources now, to meet the challenge of even deeper and more widespread involvement of our peoples with all peoples of the world. Hopefully, we can learn historical lessons instead of repeating historic mistakes.

It is for these reasons that I urge Congress to fund Title VI at the $18 million level so as to enable the people of our nation to regain a high proficiency in understanding and communicating with peoples and cultures of other nations.

Funding at the $18 million level would have three very specific beneficial effects. First, it would increase the number of available fellowships, thus aiding the entry of minority students from other professional disciplines like business and medicine who would benefit from foreign language and area studies. Second, it would permit the establishment of new intensive instructional programs in such key third world languages as Arabic, Chinese, and Japanese. Third, it would stimulate the infusion into the educational mainstream of knowledge and skills gained through in-depth programs of international studies.

Unfortunately, the significance of small programs like Title VI are sometimes overlooked. Whereas it is difficult for state educational systems to assume programs supported by Title VI because they are primarily a national as opposed to a state interest, expenditures for Title VI programs on the other hand generate approximately five to six dollars for each Federal dollar expended. Thus, an $18 million appropriation will trigger approximately $100 million of state and private funds.

For those of us who wrestle with public policy assues and who are familiar with similar problems in various parts of the world, it's clear that one of the best ways to comprehend the dimensions of our own problems is to become familiar with the efforts of other societies as they seek to address themselves to such trans-national concerns as pollution, population, generational conflict, race relations, and urban decay.

Like most human endeavors, international understanding is based on learning. Adequate funding for Title VI will play an important part in providing the further learning opportunities for international understanding.

STATEMENT OF CHARLES WOOD

My name is Charles Wood. I'm here representing the Coalition of Adult Education Organizations as its Legislative Chairman and the Adult Education Association as its Executive Director. The Coalition of Adult Education Organizations consist of some sixteen national organizations that have a continuing interest in expanding educational opportunities for adults. The Coalition includes professional associations such as the Adult Education Association, as well as broad based membership groups such as the National Council of Churches.

The Adult Education Association, which I am privileged to represent as its Executive Director, will be celebrating its 25th anniversary during the Bicentennial Year. Approximately one-fourth of our membership are directly involved in programs funded in part by the Adult Education Act of 1966 as amended in 1974. However, I can assure you that our entire membership, whether engaged in cooperative extension, university extension, training for business and industry, or worker education--to cite three of the many varieties of adult education engaged in by our members--fully support the concept that the federal role in providing adults with the opportunity to secure a basic education through high school is extremely important. They firmly believe that the present level of federal support of such efforts is woefully inadequate.

The other two witnesses, Dr. Gary Eyre and Dr. James Dorland, make a very persuasive case for a substantial increase in the level of appropriations for FY 1976. I will not take any more of your valuable time restating the facts which they have provided you. I will take a few moments to highlight two or three matters which I do feel deserve particular emphasis.

RESEARCH AND STAFF DEVELOPMENT

First, as has been previously stated, the responsibility for research and training which formerly was performed at the federal level is now--as a result of the Education Amendments of 1974-- mandated to the states with the states required to spend no less than 15% for this purpose.

The organizations I represent today have consistently supported the concept that program funds can only be maximally effective if there is built into the program a fiscal base for research and staff development. Although we supported the retention of this responsibility at the federal level, we accept the fact that it has now been given to the states. However, we are disturbed that even though the responsibility has been given to the states, no additional funds were provided for the exercise of this responsibility.

Consequently, we strongly urge the committee to increase the current level of appropriation of 67.5 million dollars by 15%, or an additional 10.125 million dollars to be used by the states to carry out the responsibilities mandated to them in section 309 of the Act.

ADMINISTRATIVE COSTS

Secondly, we fully support an increase of 3.881 million dollars in the current level of appropriations to adequately underwrite administration of this program in each state.

In summary, the Coalition of Adult Education Organizations, and the Adult Education Association of the USA, urge this committee to recommend to the Senate an appropriation for fiscal year 1976 of 81.506 million dollars for the Adult Education Act.

We fully understand that this level of funding is still far short of the amount authorized, and more importantly represents an even greater shortfall than the amount which is required if the purposes and objectives of the Adult Education Act are ever to be achieved. However, at the same time, I appear before you as a representative of two responsible organizations, and am making a plea for a level of appropriations which, while far from adequate, will at least permit the states to fulfill their basic responsibilities under the Act in FY 1976.

In conclusion, we feel that there are an infinite variety of educational needs to which this nation needs to address itself in the years ahead. Every demographic indicator suggests that at least in the immediate future, we will be experiencing a rising percentage of our population in the adult category and a declining percentage of our population in the youth category.

This fact coupled with other phenomena such as the rapidity of technological change, the problems of energy, conservation, increased amounts of leisure time, and other societal changes makes it imperative that government at all levels, but most importantly at the federal level, evidence a real commitment to attempting to meet the educational needs of adults in their totality. We also recognize that the basic and fundamental educational needs of adults which the Adult Education Act is addressed to, must be met if the more sophisticated and complex educational needs of adults are to be met.

We appreciate the opportunity to appear before you today on behalf of adult educators working in a variety of institutional settings and attempting to meet a variety of adult education needs but who are united in support of a much more adequate level of funding in FY 1976 for the Adult Education Act. We also appreciate the support this Committee has given to adult education in the past, including forward-funding for FY 76. We are confident our requests here today merit your support as you review appropriations for the coming fiscal year. Thank you.

STATEMENT OF DR. H. DAVID FISH

On behalf of the Impact Area Schools, I want to thank you for the opportunity to appear before you on the FY 1976 appropriations.

Across the country school districts are confronted with extreme financial difficulties as inflation has increased costs and the recession has decreased property tax revenue through delinquent or late payments. Any loss of revenue by school districts can be translated into unemployment since over 85 per cent of school district budgets are for personnel. Therefore, today we want to present as strong a case as possible for an adequate appropriation for Impact Aid.

Last year Congress passed a major reform of Impact Aid as part of Public Law 93-380. This reform reduced entitlements for "out-of-county" students, those from civilian families, and eliminated "out-of-state" students from the program. (A reform designed to meet the criticism made because payments went to the suburban Washington counties in Maryland and Virginia.) They also added payments for students living in low rent housing and handicapped students from military families if the student was enrolled in an appropriate special education program. During the passage of the bill "hold harmless" provisions were added to ease the transition to the new law. Other provisions were added to maintain the relationship between the classifications of the program. The total effect of the new law, while providing some reforms, was also expanding from 1.8 million to an estimated 2.7 million students.

Impact Aid has undoubtedly been strengthened because of the addition of the low rent housing students into the payment structure. This is consistent with the basic philosophy of the law. The handicapped provision gives direct assistance in supplying a needed service to students; however, the additions do bring the responsibility to adequately support the whole program to avoid damaging the education of students in school districts previously funded by Impact Aid.

The new law attempted to build a floor under Impact Aid to establish the tier system of payment with the requirements that the entire Tier 2 had to be funded or none of it could be paid. It is our concern that we do not really know what amount of money will protect school districts from financial disaster by adequately funding Tier 2, Section 6, and two incorporated "hold harmlesses" which will draw from the same appropriation. Despite the high professional regard we have for the staff of the SAFA office at the Office of, Education, we are not confident of their statistics.

We know that the loss of key personnel has not been replaced and that the remaining staff has not been provided resources to validate the estimates that the Office of Education is preparing. The low rent housing data which the office has developed does not include districts not currently in the Impact Aid Program, and for many Impact Aid Districts only consists of estimates made at our request. The handicapped children represented a whole new calculation which many districts, including my own, simply do not have programmed to begin to report to the Office of Education in our survey which is attached. Other potential problems exist in the data; but, our most important concern is shown by the survey reported in the attachment. Tier 2 simply represents a loss in funding for the great majority of school districts!

The local school districts do not know how to estimate income under the new law. We have found a great amount of confusion among school administrators as they attempt to compute the amounts that will be due their districts in the coming year under the various categories as defined by P.L. 93-380. The attached data, using FY 1975 as a comparison base, was compiled from worksheets filled in by local school districts. In a majority of cases correction adjustments had to be made because of misunderstanding of rates, authorization amount and appropriation sums as they relate to the new categories and the tier system of funding.

Some districts are enclosing letters of distress with the returned worksheets. Comments range from outright disbelief that Congress really intended so drastic a cutback to expressions of the extreme corrective action required at the local level to either replace lost funds or reduce educational programs. Many local districts are very hard pressed as the combined effects of inflation on what they purchase and recession on local tax income are forcing them into deficit positions.

The data attached to this statement was compiled with the help of the Office of Education which supplied correct marking lists and adjusted local contribution rates as well as administrative guidance required to secure correct information.

School districts returned worksheets to Lance Eldred, president of the Impact Area Schools, for review and correction using FY 1975 ADA and FY 1975 local contribution rates. The total cost of education used is also FY 1975. The summary includes data received prior to April 2, 1975, and is listed by state.

Scanning these statistics will show that the losses far outnumber gains in the "difference" column when the "New Law Tier 2" is compared to the "Old Law" present level of funding. No so-called "hold harmless provisions" have been applied as each requires a separate calculation based on additional information. In some of the cases the losses will not appear too great when compared to the total cost of education; however, in today's tight education budgets any loss of federal income will directly affect the quality of education through reductions in personnel hired and books and supplies purchased.

The column labeled "Administration 5% Reduction on T.C.E." reports the estimated reduction in Impact Aid funds if the Administration's proposal for further changes in the Impact Aid Program were to be enacted into law. We have used the last column to compare to the column labeled "New Law Tier 2" as an indication of loss to each district and have placed an asterisk next to each sum in the last column if that district is entirely eliminated from Impact Aid under the 5 per cent proposal.

The opportunity to present this information to you is appreciated. I join with my colleagues in school systems throughout the land in hoping that you will approve funds for a continuation of the present level of Impact Aid Program at a time when local school districts face a very critical fiscal situation due to the effects from unprecedented inflation and the energy crisis. Please let us know if we can be of assistance to you in this.

Thank you.

STATEMENT OF HAROLD HERBER

Mr. Chairman:

The purpose of my testimony is fourfold:

1) generally, to support the appropriation of funds for elementary and secondary education during FY '76 as authorized by the Education Amendments of 1974;

2) specifically, to support the funding of the National Reading Improvement Program (Title VII) under that legislation for FY '76;

3) to identify obstacles implicit in the legislation which can prevent attainment of the objectives for the National Reading Improvement Program;

4) to suggest ways in which these obstacles can be eliminated by specific focus of the appropriations for this legislation.

The legislation that produced the National Reading Improvement Program is very significant. First, it demonstrates awareness by Congress that the reading competence of the populace is a matter of national concern. Second, it supports the view that development and maintenance of a literate populace generation after generation requires constant attention, not being a problem that occurs once, can be treated once, and then is resolved forever. Third, it acknowledges that the development and maintenance of generations of literate citizens requires well funded programs with clearly defined objectives.

Debating the adequacy of the funds authorized for the National Reading Improvement Program would be obviously unproductive, since the legislation already has been passed by Congress. As you might suspect, however, many persons responsible for raising students' reading achievement would like to debate that point. And we are even hesitant to make blanket recommendations that urge a full appropriation of the authorized funds. We are aware that you must establish priorities among many demands for Federal money but we are unaware of many factors you must take into account when deciding how to distribute the limited amount available.

However, we believe it would be useful for us briefly to point out significant implications in the legislation creating the National Reading Improvement Program and thus establish some criteria which you might use to establish priorities for appropriations.

The focus for funding in the National Reading Improvement Program is to be "in schools having large numbers...of children with reading deficiencies...." That is as it should be, but some may feel justified in drawing the inference that schools with a low incidence of reading deficiency consequently require little or no help in reading programs. Such an inference is incorrect. Reading is a developmental process and instruction in reading is profitable for students at all levels of sophistication. Obviously, we should give special attention to those students who lack the basic skills of literacy. But while doing so, we must not overlook the need for finding ways to increase our efficiency in helping all students build on their basic skills as they progress through school.

Part A of the National Reading Improvement Program legislation provides for reading instruction at pre-elementary levels. Part C provides that reading specialists will give reading instruction to all students in grades one and two, with such instruction by specialists continuing through grades three-six for those students who still have reading problems at those grade levels. We support these provisions in the program but, again, are concerned with respect to the inferences that have been drawn.

We know that providing reading instruction during the early years when students are learning the beginning reading process is of special importance to the development of their later reading competence. We also know that there are students who, for any number of reasons, do not develop competence commensurate with their ability in the early grades and thus need special instruction as they progress through the grades. However, by limiting the continuing instruction only to those students who have special needs, there is an implicit assumption that reading skills obtained at the early grade levels are sufficient for most students' academic needs throughout the remainder of their schooling. There is ample evidence to indicate that such is not the case.

Continued reading instruction is needed for all students so that at each successive grade level they learn to achieve at their full potential. Focusing on reading instruction for its own sake in special reading classes limits opportunity for instruction of all students in how to apply their skills to reading tasks required of them in the various subject areas through the grades. Evidence is continually accumulating to support the position that when reading instruction accompanies the study of the subject matter in various curriculum areas, students' reading skills are both developed and enhanced.

This recommendation suggests specific needs with respect to teacher training. Part C of the legislation deals with teacher training, but such training is focused on the development of reading specialists and reading teachers. Such training has great value but also great limitations.

Obviously to provide instruction for those students with special learning needs with respect to reading, teachers must have specialized skills. Hence there is logic in the training of specialists. But since it is also true that there is equal value in providing reading instruction within the various subject areas to help students develop the sophistication necessary to deal with increasingly difficult material, then it is necessary to provide training for the regular classroom teachers to enable them to provide such instruction. Both Part C and Part B of the legislation allow for the training of classroom teachers if one interprets the legislation broadly enough. Again, we recommend that in your appropriations you specify that training be given to regular classroom teachers so they can serve the students' reading needs within each subject and across grade levels.

The legislation for the National Reading Improvement Program focuses entirely on instructional provisions for pre-school and elementary grades. This obviously is the level at which instruction should be started, receiving the heaviest concentration of effort. But, again, there is a misleading implication with respect to the reading needs of our students.

We strongly believe, as already indicated, that reading is a developmental process. What students learn in the early grades with respect to reading is not sufficient to help them meet the challenges imposed by materials required at the upper grade levels. There is ample evidence to indicate that even where there are strong and successful elementary reading programs, students in the upper grades require further training to meet the challenge of the required texts in their various subjects.

Further, there is ample evidence to indicate that even students who are receiving special training in reading classes experience difficulty when faced with reading assignments in their various subjects. The skills that they learn in a separate reading class are not transferred adequately and applied to the reading required of them in these subjects. Various studies indicate that when subject area teachers include instruction in how to read assigned materials in their curriculum along with instruction in the content of those subjects, students' reading achievement is significantly increased. When such instruction is provided, moreover, the reading needs of all students are met rather than a selected few.

The efficiency of such instruction should be clear to all who consider it. It is manifestly more efficient to teach reading in the context where the reading is required than in a context that is separated from the requirement. Further, it is more economical to train teachers already on staff, as subject area teachers are, to deal with the entire student population than to employ many additional personnel to teach a selected number of students in separate reading classes, leaving the majority of students unserved. There is increasing evidence to indicate greater economy when the reading specialist works closely with several subject area teachers in a training program, developing their skills in teaching reading, than when the specialist spends all of his time with special reading classes.

This does not suggest that one should do away with extra reading instruction for students with special needs, but it does state that more students need instruction than receive it in the special classes. Therefore, we add to our earlier recommendation that in your appropriations of funds for the National Reading Improvement Program, you specify that provision should be made for reading instruction to be given within the various subject areas and urge that secondary grade levels be included. Since the legislation for the National Reading Improvement Program does not expressly forbid such provisions, it is our judgment that these appropriations would be consistent with the spirit of the legislation.

In summary, then, we urge the appropriation of funds to support and focus on early reading instruction for all students and special reading instruction for poor readers, as designated in the legislation. However, we urge that through your appropriations you include support for assuring the continued development and maintenance of the reading skills that have been learned at these early grades. This can be done by providing means for reading instruction to be given for all students, in all subjects, at all grades. This could be done by including provisions for training of subject-area teachers as well as for the reading specialists and by inclusion of the secondary grade levels as well as the elementary and pre-elementary.

We believe that such adjustments in the National Reading Improvement Program, through your appropriations, will enhance the quality of the program, raise the level of students' reading achievement throughout their years of formal education, and produce citizens who are able to deal adequately with information and ideas that confront them in the printed medium.

I thank the Committee and you, Mr. Chairman, for the opportunity to express the views of The National Council of Teachers of English. We hope that our opinions will be useful to you as you make your important decisions.

STATEMENT OF JAMES A. HARRIS

I am James A. Harris, President of the National Education Association. The NEA represents almost 1.7 million teachers in every state across the nation and is the largest professional association in the United States. Its members are active at all levels of education from early childhood through postsecondary and adult. Thus, our interests cover the whole spectrum of educational programs. We appreciate the opportunity to present our views on the appropriations for education for 1976.

We commend the Administration and Congress for advance funding of education programs. The advance funding for key elementary and secondary programs for FY 1976 enables school systems to begin now to plan and staff programs for next year. We urge early enactment of the remining appropriations for 1976 and continuing advance funding of programs for FY 1977.

We also commend Congress for its opposition to the recisions in the education appropriation for 1975.

We note that the Administration's budget for 1976 assumed that the 1975 recisions requested were accepted. The requests for 1976 are based on and compared to the revised downward totals for 1975 rather than the amounts appropriated. This has made the 1976 budget extremely difficult to analyze. The trend is further obscured: the 1974 figures are based on the appropriations after the 5 percent reduction. Still another complication is the impoundments. There is a great need for a straight presentation of the actual dollars available for education programs for recent years so that the amounts which are recommended for appropriations for 1976 can be analyzed in terms of gains or losses in program support. We look forward to the reporting procedure required by the new budgetary processess.

Inflation, which is continuing at a high level, has diminished the purchasing power of the education dollar. Prices rose 11 percent from July 1973 to June in FY 1974 and another 6 percent from July 1974 through January 1975. Between July 1973 and July 1975 the purchasing power of $1 will have dropped to about 80 cents. Total education appropriations reported at $6,191 billion for 1974 by the Secretary of HEW would have to increase by $1.5 billion for FY 1976 just to keep pace with inflation. The total request of $6,048 billion for FY 1976 is inadequate and reflects the constantly diminishing priority placed on education by the Administration.

State and local governments and school systems are struggling with mounting costs and declining revenues. Surpluses which were observed as late as last summer have disappeared. A recent issue of Survey of Current Business indicates that total state and local funds representing a $4.2 billion budget surplus in 1973 became a $4.9 billion deficit in 1974. It is estimated the deficit for 1975 will reach a $10.5 billion deficit.

The recisions proposed for 1975 and the low level of funds requested for 1976 are based on an assumption that the states and local educational agencies can make up the difference from their own funds. This obviously is not the case.

In the nation's classrooms, students face a wide range of cutbacks in the instructional program as a direct result of inflationary and recessionary pressures on school budgets. A recent NEA survey pinpointed several of the major retrogressions which indicate both in numbers and in content the extent of these cutbacks. Increases in class size were reported by 39.2 percent of those surveyed; 42.0 percent indicated a decrease in teaching materials; 28.0 percent noted the elimination of some school programs; 25.9 percent reported a decrease in special subject teachers; and 17.0 percent told of curtailed extracurricular activities. The list goes on, but the point is clear. These losses in the quality of education will remain with the students and the nation long after current inflationary and recessionary problems have been brought under control.

Public school budgets are now balanced largely by shaving both the wage increases of teachers and the numbers of teachers and other employees. In addition, budgets of higher education institutions have been balanced by the escalation of tuition fees, which has created a real burden on low and middle income families.

Because of inadequate funding, salaries in education are lagging behind those of other workers, and education programs are cut back as staff is curtailed to meet budget limitations.

The investment in education is an investment in productivity through advancement of skills and better functioning individuals in society. Trained and versatile individuals return the short-range investment in their education by paying above-average income taxes on their lifetime earnings.

To reduce education expenditures as an economy measure in the fight against inflation is false economy. It has been estimated by Henry Levin that the national costs of underinvestment in education, defined as the attainment of less than high school graduation, are as follows:

1. Loss in lifetime earnings of males 25-34 years of age in 1969....$237 billion.
2. Loss in taxes on earnings....$71 billion.
3. Annual expenditures for welfare and crime attributable to inadequate education....$6 billion.

Measured by input and output, these losses to the economy far exceed the estimated $40 billion needed to provide a high school education for that group of men. Therefore, to encourage budget-cutting as a means of combatting inflation is to trade off a prolonged economic disequilibrium in society for an illusory short-term economic advantage.

The federal education programs authorized to date largely comprised formula and discretionary grants to improve the educational opportunity of groups of pupils with needs for expensive educational services to overcome one or multiple handicapping circumstances if they are to attain the education needed to function productively in later life. To cut or defer authorized funding of these kinds of programs is extremely shortsighted when an investment now makes the difference between a life of dependency or one of productivity.

Because of underinvestment in education only one-third of the recent graduates trained for teaching have jobs in teaching at the elementary and secondary level, and less than one-fourth of the new doctorates have positions in higher education. In addition, the job market for qualified persons returning to teaching after a break in service has almost disappeared. School systems are passing up the opportunity to hire experienced, highly qualified persons. A master's or doctorate in education and experience are obstacles to finding a teaching job. The underemployment of persons trained to teach is clearly a function of shortages of school revenues and inadequately financed school programs rather than the lack of need or worth of the potential educational services. In fall 1973, there was an "oversupply" of about 139,000 qualified teachers, 114,00 from the 1973 graduating class and 25,000 experienced teachers seeking to return to work. If school offerings and services were improved to minimum levels of quality, there would have been a shortage estimated at 570,000. Yet, continued underinvestment in education and sharp decreases in educational funding in the name of inflation or recession will produce just as serious national ills in the short range and more serious in the long range. Education is a key to increasing the productivity of the nation's labor force.

Wide-ranging unemployment affects the well-being of youth in school from families with unemployed parents. It also affects the part-time job opportunities of teenage and college-age youth to sustain themselves in school. Moreover, it diminishes the prospects of getting a job after completion of high school or college. Young adults with and without school completion have the highest unemployment incidence of all groups of workers. The recession has hit the youngest workers hardest.

We realize that the Congress faces a dilemma in dealing with appropriations for all federal programs. In each year's federal budget, well over one-half of available funds are already committed as so-called uncontrollable items. The controllable items--education among them--must therefore be squeezed in wherever they may fit. It has been our sad experience that, in the vastness of the Labor-HEW appropriation, OE programs are the first to get the ax because of the large bite that uncontrollables take out of circulation. We will continue to support the view that federal programs are important to education and are more than items to be cut to balance the budget. To achieve thic end, we will continue to work to see that the Education Division's budget is broken out of the Labor-HEW package and treated as a separate--and equal--item. We commend the Committee for viewing the Education Division budget as a separate package this year.

Appropriations for programs in higher education and vocational education should be enacted at at least prevailing levels pending the reauthorization of the programs by the 94th Congress. We may wish to submit additional or revised requests when these programs are reauthorized.

We would like to comment specifically on some of the education programs which we believe should have a high priority for increased funding.

Title I of the Elementary and Secondary Education Act is authorized for funding at the level of 40 percent of current expenditure per eligible child. The advance appropriation of $1.9 billion for 1976 and $1.9 billion for 1977 continues the level of about $276 per eligible pupil. Based on the current numbers of eligible pupils, the appropriation should be about $1 billion higher than proposed. We do not believe that the amount requested is realistic in light of the decline in the economy and the continuing increase in prices. We urge you to consider a realistic increase to $2.5 billion for 1977 with a goal of funding Title I at $3.0 billion for 1978.

We support the consolidated programs--Innovation and Support and Libraries and Learning Resources--with the intent of the Act that appropriations do not decrease from the previous year.

The request for Bilingual Education (Title VII) at $70 million is a decrease from the $85 million actually appropriated for 1975. The program is authorized at $135 million for 1974 and 1975, and $140 million for 1976. The appropriation requested is not adequate to meet the needs of the estimated 5 million children who come to school with English-speaking deficiencies. The Administration estimates that the requested funding will reach 200,000 children. The deficiency is enormous.

We recommend funding the program of assistance to states for developing state equalization plans to achieve equality of educational opportunity for all children in attendance at the schools of the local educational agencies in the state. We recommend an appropriation of $500,000 for this program for 1976.

Program funds for ESAA should not be reduced. P.L. 93-380 extended the authorization of appropriations for 1974 through 1976. We recommend that the appropriation be increased at least to the level of $325 million, continuing the authorized state apportionment grants to Local Educational Agencies at $236 million and discretionary grants at $75 million. Desegregation assistance is greatly needed by the local educational agencies. The experience of this year attests to the need.

The 1976 budget includes $42 million for Special Programs for Indian Children and Adults. This amount requested is the same as provided in 1975 and 1974, even though the estimated number of children and adults benefitting from the program will increase from 302,000 in 1974 to 357,000 by 1976.

We urge that the advance appropriation for FY 1977 for state grants for education of the handicapped be increased to $110 million to maintain the program level provided by the $100 million appropriation for FY 1976 as an addition to the Administration's request.

We support the increased funding of Impact Aid required to fulfill the legal commitment of the new formula established in the Education Amendments of 1974. The impact funds may now be considered along with local property tax receipts for the purpose of calculation of state equalization programs as permitted by P.L. 93-380 when a state reforms the state aid program to equalize the capacity of Local Educational Agencies to support education. This provision reduces the disequalizing effect of impact aid among districts. We do not believe that the solution to the problem is to eliminate a large proportion of the aid, as the Administration is proposing. Further reforms should await adoption of a program of massive general federal aid to education which the NEA will shortly request.

The obvious priorities of the 1976 administrative budget are disturbing. The increases in funds requested for administration of all units in the Education Division of HEW are generous. Cutbacks are most severe in the state grant and institutional formula programs while discretionary grant programs for experiment, model development, and demonstration are increased. While such programs are important and adequate funds for administration are important, they should not be achieved at the expense of federal funds which are targeted through state grant programs to the classrooms of the nation.

We thank the Subcommittee for this opportunity to present our views. We will be glad to supply any additional data necessary to facilitate your deliberations.

STATEMENT OF ABRAHAM PLUMMER

Honorable Chairperson, members of the Appropriations Committee and guests, we are gratified to have this opportunity to present this position paper on the behalf of the Coalition of Indian Controlled School Boards, Inc.

In October of 1971, seven representatives from four Indian schools met in Boulder, Colorado, to discuss the feasibility of, and develop a strategy for, creating a coalition of Indian schools concerned with educational reform. Later, in December of 1971, this same core group of interested persons formally organized the Coalition of Indian Controlled School Boards, Incorporated. An alliance of Indian schools who share common concerns for education was formed, and a stronger, more unified group of Indians began a determined quest for greater control and management of their own educational systems. Thus, the Coalition took a stand, brought forth its position regarding Indian education, and has proven that the most effective way to successfully improve education for the American Indian is to place the control and decision-making power into the hands of Indian people.

The Coalition of Indian Controlled School Boards is a national non-profit, educational organization for educational research, training, and development of better education for Indian people. Its purpose is to promote better education for Indian people by helping them gain control over their own education. Membership consists of local community school boards who actually control their own schools, parent advisory committees who have organized to gain control, JOM Committees and Tribal education committees. In all, at the present time, there are two hundred member organizations in the Coalition.

We are asking that a supplemental appropriation of $3,000,000 be made to the Education Professional Development Act Public Law 90-35. We recognize that there is a continuing surplus of teachers being graduated each year however, those teachers are poorly prepared to teach Indian children.

Further, amongst the graduating teachers the percentage of teachers who are Indian is very small. Since the introduction of the EPDA Program Indian teachers have been trained who have proven to be effective in teaching of Indian students.

Until Indian students are taught by teachers of comparable ethnic and cultural backgrounds, they will be deprived of equal educational opportunities.

The Educational Professional Development Act has proven itself to be of exceptional value to all Indian communities. Indian people began seeing their way clear and means by which they could become teachers. They are serving their respective communities while obtaining the necessary experiences leading to certification as a teacher.

The funds for the Indian Set-Aside of the EPDA has been reduced to $406,000. There is a current need of $3,000,000 to meet the expenses of existing programs. Therefore a $3,000,000 add-on will be sufficient to meet the needs of an extremely important program to train teachers and administrators of Indian children. The program will insure competent teachers of Indian children. The net result of which will be better academically prepared Indian students therefore, increased personal self-sufficiency, improved earning power and therefore improved contributors to their communities. The denial of this program will mean a further suppression of our most vital resource, our students who are Indian.

Educational opportunities for Indian children are not equal because they are being taught by people whose culture, attitudes, ethics and movies are European and therefore, alien. We submit that the Indian cultures are the only cultures that were indigenous to the Americas.

Further, we request line item amounts for the following Indian community colleges who now have no new monies being appropriated for them from any source. These monies should be added to the Vocational and Technical Education Division's budget and earmarked for the following Indian Community Colleges:

Sinte Gleska Community College	$1,000,000
Lakota Higher Education	1,000,000
Turtle Mountain Community College	1,000,000
Blackfeet Tribe Community College	1,000,000

These funds will be used for basic support by the Indian community colleges. Community colleges have proven very effective in providing vocational education and the first two years of college work. They are effective in cutting down overhead expenditures and per pupil costs thus providing college programs that are academically defensible and viable to a segment of the U.S. population who lack such opportunities. Community colleges have the advantage of using economic space and using local professionals as teachers. The students have the advantage of remaining in contact with their communities and serving their communities while pursuing a higher education. The adults utilize the community colleges for improving their vocational and academic skills. The four named community colleges have student populations of 97% to 100% Indian.

The Coalition of Indian Controlled School Boards submitts the following recommendations regarding P.L. 93-380, Bilingual Education Act Title VII (ESEA of 1965) As Amended By Title I of the Education Amendments of 1974, Public Law 93-380, P.L. 93-380 Title IV - Libraries Resources, Educational Resources, Educational Innovation, P.L. 874 - Impact Aid, The National Reading Improvement Program and Community Schools Act as Amended by P.L. 93-380.

Upon re-examining the intent of the Bilingual Education Act, regarding the special educational needs of children of limited English-speaking ability...we must take into consideration, developments in the perception and involvement of Indian communities. The past decade has witnessed a proliferation of grievances and rights which have been accepted as inevitable consequences of powerlessness and are now being challenged on all levels: the courts, media, streets and classrooms.

In 1972, the Supreme Court ruled in favor of the Amish religion and culture. The specific case in mind, Wisconsin vs. Yoder, established the right of the Amish people to educate their young, independent of state attendance laws. Are we then to suppose that the religion, culture and languages of the Native Americans are less vital possessions?

In another case the January 1974 decision of the U.S. Supreme Court in Lau v. Nichols is proving to be one of the most valuable recent developments in ~~ght~~ fight for recognition of bilingual/biculturalism as a permanent component of the educational process in this country. Lau was a class action brought on behalf of non-English speaking Chinese students against school officials in San Francisco. The students asserted that the failure by the Board of Education to take special steps to deal with their "language deficiency" denied them an equal educational opportunity, in violation of the Fourteenth Amendment to the U.S. Constitution and Title VI of the Civil Rights Act of 1964. The Supreme Court agreed that some unspecified form of assistance had to be given in order that the students have a "meaningful opportunity to participate in the educational program."

RECOMMENDATIONS RELATIVE TO THE BILINGUAL EDUCATION ACT

In light of these developments, the recent INTERNATIONAL GENOCIDE CONVENTION, sponsored recently by the United Nations, listed denial of indigenous languages as an article of genocide!!!

With this statement in mind, the Coalition makes the following recommendations on behalf of Native American Bilingual Projects:

1. Non-Indians are notorious for classifying Indian tribes as a single ethnic component. Their definition of this component does not allow for recognition of the vast number of tribal languages and dialects in existence. In the United States alone, according to a June 1974 publication, the Bureau of Indian Affairs counts 266 Indian tribes.

In addition there are 50 linguistic stocks and 6 major language groups and families. As an example, the Sioux language is broken down even further into three dialects: 1) Dakota, 2) Lakota and 3) Nakota. For this reason we feel the Bilingual education needs of Indian children are just as great as those of other minority people, if not more complicated.

Native Americans are forced to operate their Bilingual projects with limited amounts of monies which must cover a multi-ethnicity within itself.

Therefore, it is our reationale that there exists a need to create an Indian Desk within the Office of Bi-Lingual Education to monitor Native Americans projects specifically. In order to achieve maximum effectiveness the Indian Desk would require a support staff.

The Coalition has seen numerous tribal groups uninformed and unaware of bilingual developments, a Native American desk could dissolve much of this confusion.

2. It is our understanding that the Office of Bilingual Education plans to establish six (6) Regional Resource Centers. We recommend that two (2) of these centers be established specifically for the compilation of Native American Bilingual materials.

We realize that this subcommittee cannot legislate changes in the law. However, we would like you to call this matter to the attention of the Commissioner of Education and ask for administrative clarification on these points. In addition, we hope you will earmark a 20% Indian Set-Aside out of the total appropriation of $80 million for Bilingual Projects. This would allow for $16 Million for Indian projects alone.

According to Office of Education projected estimates --- 1974 and 1975 fiscal year appropriations are in the amount of 5 million for all Indian projects. In view of these amounts....we simply cannot continue to operate on piecemeal funding factors.

Whereas, for these reasons CICSB, Inc. reiterates the need for a 20% Set-Aside.

P.L. 93-380

Title IV - Libraries Learning Resources, Educational Innovation and Support

Title II of ESEA (library resources, textbooks and other instructional materials) is extended through June 30, 1978. However, in fiscal 1976 it is to be consolidated with a number of existing federal programs into Part B of Title IV (Libraries, and Learning Resources).

Therefore, the Coalition of Indian Controlled School Boards, Inc. would like to make the following recommendations with respect to Title IV - P.L. 93-380.

The information gap for American Indians is widening year by year. Knowledge of oral literature, possessed by the elders and spiritual leaders, dies with them. Few attempts are made to record, preserve, and transmit this heritage. However, with the Creation & existence of Indian libraries, this irreplaceable information could very effectively be passed on to the young. This knowledge could also serve as a reinforcement to compete in the non-Indian world.

Indian libraries, would ensure that video-tape, audio-visual materials, books, and magazines geared to meet the specific information needs of Indian people are made available. Libary centers would be in a position to help all peoples become aware of the strength of our Indian civilization, and the beauty and richness of our Indian heritage. We would also be able to sensitize non-Indians to the present and future goals of the Indian community.

The following statistics show the monies that have been made available to Indian library resources through the Office of Education as compared to the total Title IV library appropriation for obligation by the Commissioner during the fiscal year ending June 30, 1976.

OFFICE OF EDUCATION

Library Resources:

Grants for Public Libraries (L.S.C.A.I.)

1973	1974 (Estimate)	1975 (Estimate)
$241,861	$250,000	$200,000

School Library Resources (ESEA II)

1973	1974 (Estimate)	1975 (Estimate)
$411,940	$394,844	$394,844

Training & Demonstrations (H.E.A. II-B)

1973	1974 (Estimate)	1975 (Estimate)
$518,588	$626,000	

TOTAL:

1973	1974 (Estimate)	1975 (Estimate)
$1,172,389	$1,270,844	$594,844

P.L. 93-380

Sec 401 (a) (1) ..."Authorized to be appropriated during fiscal year ending June 30, 1976."

TOTAL: $395,000,000

CICSB, Inc. recommends that there be appropriated a 10% Set-Aside from this amount for Indian schools, and Indian and Community Controlled Schools.

ALLOTMENT TO STATES

Sec. 402 (a) (1) ..."In addition, for each fiscal year he (Commissioner) shall allot from each of such amounts to (A) the Secretary of the Interior the amounts necessary for the programs authorized by each such part for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior."

The aforementioned schools are schools that are operated and controlled by the BIA. There are no provisions here for Indian and community contolled schools; therefore:

CICSB, Inc. recommends that monies here be included for Indian and community controlled schools specifically and that both libraries and training monies be earmarked for our schools. Furthermore, we demand that the studies and the revelations made recently by the National Commission on Libraries and Information Service be released to the public. The recommendations made by this Commission must be placed with those agencies who can provide library services to the Indian community and we demand that these agencies begin to implement these recommendations.

STATE PLANS

Sec. 403 (b) (1) The State advisory council, established pursuant to subsection (a), shall "(A) be appointed by the State educational agency or as otherwise provided by State law and be broadly representative of the cultural and educational resources of the State and of the Public...."

Due to the attitudes of States not desiring to appropriate money for reservation programs where they cannot control this money, or the programs, (i.e. in North Dakota, Fort Berthold was rejected for Vocational Education because the North Dakota Attorney General stated that the State did not want to appropriate money for programs where they had no jurisdiction (reservation schools) and therefore no control.) and, ...because the Appropriations Committee has stated (Report of H.R. 16027 - page 17) that they "strongly support the efforts of those Indian schools which aspire to control their own educational programs through contracting," and, ...because Indian and community controlled schools have established the need and the desire to control their own educational programs to bring about quality education for their children:

CICSB, Inc. hereby recommends that there be created a 10% Set-Aside of Title IV (P.L. 93-380), specifically for Indian and community-controlled schools. The schools would utilize the 10% of the total amount for their own libraries; Learning Resources, Educational Innovation and support programs; Reading Improvement Programs; and participation in equal representation on the State advisory councils. Complete discretionary use of these monies would be allotted to them with respect to accountability to the commissioner.

Public Law 81-874

In testimony regarding appropriations for 874, we need not dwell on the Federal government's trust responsibility for education of Indian tribes. Those tribes which have been operating their own schools and those in the process of gaining control of their own education systems have been dependent on P.L. 81-874 appropriations as a main source of funding. This impact aid is received in trust areas in lieu of tax dollars.

One of the main problems with Public Law 874 has been late funding. Many districts educating Indians, particularly those on Indian reservations, depend upon P.L. 874 for a substantial part of their budgets. The Ingebretson, North Dakota, school district, for example, depends upon P.L. 874 fudns for 74.9 % of its operating budget, For Lower Brule, South Dakota, the figure is 63.9%, for Eudora, Kansas it is 57.1% and for Kayenta, Arizona School District it is 58%. Other states with districts having substantial P.L 874 entitlement for Indians include Montana, Alsska, Colorado, Michigan, Minnesota, Nebraska, New Mexico, Oklahoma, Washington, Wisconsin, and Wyoming. Late payments of P.L. 874 money means an excessive hardship to all these districts. The subcommittee has reports from a number of such districts who have indicated that late funding and partial entitlement annually places them in an uncertain postion as to whether they will have to reduce their faculties or services in midyear. The legislation has been between 90 and 100 percent funded every year. The fiscal 1969 appropriation was 90 percent of full entitlement.

Now, of recent development, according to P.L. 93-380, section 304 and 305 says that states may count P.L. 81-874 grants to LEA's as available local resources in their plans for equalizing expenditures. In any state equalization plan one could see that Indian reservations would lose a considerable amount of 874 funds.

In restrospect it would seem that the federal government needs to readdress itself to the statement it issued and supported, " A part of the problem stems from the fact that the federal government is trying to do for Indians what many Indains could do better for themselves." Now that Indian people are begining to control their own educational institutions the government is reducing available funds, thus stifling the progress of many of the tribes in self-determinationand educational development.

Many tribes have been dependent on 874 monies to operate their schools. P.L. 874 money characteristically has been used as catagorical funds for such compensatory programs as pre-school programs; free lunches and teacher aide salaries. Many of these schools are so small that they do not have an adequate budget to accomodate a major change in the formula for state aid without impairment of the programs being affered.

It is imperative that the federal regulations be written so as to include the explicit requriement that P.L. 874 funds for children who reside on Indian trust land be exempted from inslucsion in the state formula whenever federal impact children are otherwise included.

Such a provision would ensure the continuation of the present recognition in P.L. 874 of the need for funding to meet Indian children's special educational needs. Provision also might be made for special accounting by the local school districts for the use of such funds to be sure they actually are used for programs which serve reservation children, and for Indian parental particiapation in the planning for their use(similar to the provisions of the Indian Education Act).

Any attempt by the government to transfer control of 874 monies to state plans can only be interpreted as a direct contradiction to the intent and policy expressed through Congress and President Ford"s passage of the "Indian self-determination Act".

Therefore, CICSB demands that 50million of P.L.874 maintenance and operational funds be allocated for school assistance to Indians. In addition re recommend that 20 million be allocated for the construction of schools in impact areas with special consderation being given to Indian patrons.

NATIONAL READING IMPROVEMENT PROGRAM

We move then to the National Reading Improvement program. In almost every survey compiled, formal and informal, regarding the Reading ability of Indian children the same complaint is heard from teachers and that is "Indian children can't read". Apparently what is meant by this statement is that Indian children don't understand the words they have learned to pronounce in earlier grades and through repetition following the teachers' recitation. A review of literature reveals that Indian children do learn the mechanics of reading. According to test scores they overachieve in the primary grades but when they reach the 4th grade the decline begins and by the 6th grade they are 2 or more years behind the rest of the Nation in reading ability. This seems to be a problem regardless of the degree of language handicap or regardless of the type of school (public, private, Federal).

* It was noted in the book Language and Poverty (chapter 12) that the language problem seemed to have its greatest impact upon academic performance when the Indian child reached the upper elementary grades. Hildegard Thompson summarized this problem as follows:

> "Indian children...achieve at levels comparable to the national norms until the English language becomes an essential tool for further learning, usually around grade four. At that point they began to fall behind, and the gap grows wider as they advance upward through the grades." (p. 235, 1970)

Grace A. Blossom also believed the explanation lies in the area of language.

> "...the cause may lie in the fact that people have two vocabularies, one composed of words used in speaking and a much larger hidden one called recognition or comprehension vocabulary. Elementary texts, she expains, are written in a carefully controlled talking vocabulary while upper-grade texts shift to a comprehension vocabulary" (p. 56, 1969)

She suggests that there may be a relationship between this shift and retardation. This explanation is further substantiated by Coombs (1958). He discovered that Indian students did poorest of all on reading vocabulary and similar findings are reported by Branchard (1953), Rist (1961), Uhlman (1953), and Deissler (1962). Yet, there have been very few vocabulary improvement studies done, even though it has been established that the language handicap grows increasingly greater as the Indian child moves through the school.

We fully understand that this situation is not solely a problem of Indian children. There are no funds now for reading improvement. In lieu of the facts that have been substantiated, that is, that Indian children seem to do the poorest of all groups in reading, we feel that there can, and must be, funds appropriated for Indian and community controlled schools under the National Reading Improvement programs. These funds must be as a set-aside. These funds should be designated for the middle grades (4=8) because of the uniqueness of the particular problem in this area. We feel this is of the utmost importance for the Indian children who have been subjected to a constant cycle of remediation because of the emphasis, in this area of reading programs presently in existence.

We demand that $150,000.00 be appropriated for fiscal year 1976, and that these monies be disignated for use in at least 30 Indian community controlled school settings.

Studies Cited:

1. Coombs, L. Madison, *et.al.*, "The Indian Child Goes to School," U.S. Department of the Interior, Bureau of Indian Affairs, Washington, 1958.

2. Branchard, Ralph J., *A Comparative Study of the Intermediate Grades of Two Indian Schools and Two Public Schools in Rolette County*. M.A., University of North Dakota, 1953.

3. Rist, Severt R., *Shoshone Indian Education: A Descriptive Study Based on Certain Influential Factors Affecting Academic Achievement of Shoshone Indian Students, Wind River Reservation, Wyoming*. M.A., Montana State University, 1961.

4. Uhlman, Ester E., *A Comparative Study of Achievement and Intelligence of Indians and Whites in the Public Schools of Lapwai, Idaho*. M.S., University of Idaho, 1953.

5. Deissler, Kenneth L., "A Study of South Dakota Indian Achievement Problems," *Journal of American Indian Education*, 1:3:19-21, May, 1962.

COMMUNITY SCHOOLS ACT P.L. 93-380

As advocates of Indian community control of education we feel it is particularly important to address ourselves to Section 405 of the Community Schools Act of P.L. 93-380. We have proven through our member shcools that the most effective way to successfully improve American Indian education is to place the decision making power into the hands of Indian parents and the Indian community. We, therefore, make the following recommendations:

We recommend full funding of the authorized amount of $15 million be appropriated for the assist of Community Schools. Funds are needed for development and for giving basic support. Of this amount, we request that at least $8 million be earmarked for Indian Community Controlled Schools.

CLOSING STATEMENT

We are gratified to have this opportunity to testify and express the educational needs of Indian people. There is still a long way to go in developing viable educational programs for Indian people and we are proud to say that the Coalition is playing an important role in being a catalyst for change. However, our hearts are saddened by the realization that as an ethnic group Indians make up the largest percentage of prison inmates in all states where there are large Indian populations; infant mortality rate still exceeds the national norm; and the suicide rate is astronomical considering the total Indian population. Paraphasing from Carlos Castenada's book Tales of Power: The European conquest of the Americas has been pure hell for the Indian. They have been treated like dogs. The Indian has been stripped of his culture, his religion and even his personality.

We feel basic to all this is education and the adequate support of education.

Through education the Indian will be able to develop a personality which is appropriate and functional for this time. We strongly urge that this nation repay the debt owed to America's exploited and conquered people by at least providing the opportunity and funds for education.

Finally, it is of the utmost importance that HEW be directed to pay attention to and support Indian controlled community schools. These schools are proving themselves to be viable and are an important educational resource for Indian People. We demand that the Appropriations Committee issue this directive to HEW: The Indian Controlled Community Schools be given priority status in funding. Although the USOE indicates that over $185,787,695 benefits Indian Education, it is difficult for our organization to see these funds at the community level. It is imperative for you to get the most out of your appropriated dollars. For us, it is imperative that our Indian children and communities be given a right to their own type of education. This will be done, if our organization, CICSB, and Indian communities have control over the education monies.

Your mandate to USOE regarding equal status and priority funding for Indian Controlled Schools in their program efforts, will help accomplish this.

SUBCOMMITTEE RECESS

Senator **Montoya**. We tell them to get those applications out of file 13. Thank you very much, gentlemen. The subcommittee will stand in recess, subject to the call of the chair.

[Whereupon, at 4:45 p.m., Wednesday, April 9, the subcommittee was recessed, to reconvene at the call of the Chair.]

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